

State of Alaska FY2002 Governor's Operating Budget

Department of Transportation/Public Facilities

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Department Mission

To improve the quality of life for Alaskans by cost effectively providing, operating and maintaining safe, environmentally sound and reliable transportation systems and public facilities.

Department Goals and Strategies

- 1 Improve the way Alaska builds and maintains its transportation system, with a significant commitment to public participation in development of the State Transportation Improvement Program (STIP) and capital budget.
 - Bring Alaska's portion of the National Highway System up to first class standards.
 - Competitively select community transportation projects on a statewide needs basis through an objective system which stresses community participation in development and maintenance.
 - Evaluate new transportation segments that might support significant economic development.
 - Incorporate trails, recreational facilities, scenic enhancements and visitor services in our transportation program.
- 2 Protect Alaska's investment in infrastructure by maintaining and operating over 13,000 lane miles of state roads, almost 700 buildings, 261 rural airports and 76 ports and harbors.
 - Invest federal construction funds in projects that reduce maintenance costs.
 - Use regional maintenance equipment pools, directed to the highest need, to reduce the number of maintenance vehicles.
 - Implement a management structure which will identify and transfer cost saving maintenance techniques to other regions.
 - Encourage local governments to assume ownership of local facilities.
 - Work toward implementing a stable funding base for operation, maintenance and improvements of facilities.
- 3 Operate the Alaska Marine Highway System to meet the surface transportation needs of Southeast, Southwest and Southcentral Alaska communities.
 - Refurbish and maintain vessels to allow for continued operation.
 - Reduce financial losses for vessel services that are not required for safety reasons.
 - Work with communities to promote system use.
 - Develop and implement regional plans which increase efficiency while improving services to the public.
- 4 Maintain, operate and promote Anchorage and Fairbanks International Airports, which are vital to the state's economy.
 - Maintain and construct infrastructure to give Alaska a competitive market advantage, especially for international and domestic cargo traffic and tourism.
 - Maintain and construct infrastructure to meet both required safety standards and capacity demands.
 - Promote passenger service between Alaska and international destinations.
 - Provide facilities that support efficient operations and continued economic growth.

Key Department Issues for FY2001 – 2002

Departmentwide:

Two years ago the Transportation Equity Act for the 21st Century (TEA-21) was enacted which lays out transportation entitlement funding for 6 years. Alaska's level of basic entitlements will grow from the previous Act's \$200 million to over \$300 million during those years. In addition, various discretionary funds were created in which Alaska can request participation including ferry, border crossing, public lands and bridge and corridor funding. These additional federal funds must be matched with more state funds. The Airport Improvement Program under the Federal Aviation Administration (FAA) was reauthorized last spring. The new AIP includes a growth of state entitlement funding from

\$90 to \$145 million. Other changes being implemented by the FAA include a requirement that 90% of all projects over 4 years of age must be completed or future funding will be withheld, and a requirement that 10% of all eligible reimbursements will be withheld until a project is financially completed.

Maintenance and Operations:

The State Equipment Fleet (SEF) operates 44 shops and has more than 150 employees that provide general and preventative maintenance and all parts supply. There are approximately 7,600 vehicles accounted for in the fleet information system, with 4,800 vehicles comprised of light duty, heavy duty and attachments under SEF management. The Department has under contract a private fleet management consulting firm that is doing a broad review and a detailed performance and productivity evaluation of the delivery of fleet services. By the first of January 2001, an in-depth status report on the management and maintenance of the State's fleet and prioritized list of changes that need to be made will be available from the contractor.

Measurement Standards and Commercial Vehicle Enforcement:

The department has received Federal Highway Administration funding to develop intelligent transportation systems for commercial vehicle operations (ITS/CVO). The ITS/CVO program is focused on the use of technology to streamline state regulatory, enforcement and motor carrier practices increasing levels of safety and productivity for both states and carriers. A business plan has been developed and has been approved by the Federal Motor Carrier Safety Administration. Funding has been identified for bringing commercial vehicle safety information to commercial vehicle inspectors at the roadside, developing a system to enable motor carriers to submit applications for oversize and overweight permits electronically, and installing weigh in motion systems at the Glenn Outbound and Potter Weigh/Inspection Stations.

Alaska Marine Highway System:

Inadequate general fund revenues to support the AMHS have caused rapid depletion of the Marine Highway Fund. The recent fire and lay-up of the Columbia exacerbated this situation. The Department is taking a more aggressive approach towards revenue generation to support the system. An independent marketing and fee study was completed that identified 80,000 potential customers available to the AMHS. Recommendations in the study will be analyzed and implemented where possible. Web based ticket procurement will be further refined during this fiscal year. The preliminary steps towards implementation of the Southeast Transportation Plan are underway which will eventually result in greater efficiency and reduced costs.

International Airport System:

The "Gateway Alaska" project at the Ted Stevens Anchorage International Airport is underway. It is a revitalization program to bring inadequate and aged facilities up to today's requirements and prepare for the future. The airport terminal expansion project is critical to providing the capacity to meet these demands. Of significant statewide importance, the Gateway Alaska initiative includes the airport terminal project and infrastructure improvements on roads leading to the airport. The system will focus on its cargo marketing effort to maintain and enhance international cargo business.

Major Department Accomplishments in 2000

- Successfully tested, converted and upgraded computer systems and avoided significant difficulties related to Y2K.
- Attained an overall cargo growth at the Ted Stevens Anchorage International Airport of 12.7%.
- Opened a new upper ramp and inbound lanes on June 17 as part of the Gateway Alaska redevelopment project at the Ted Stevens Anchorage International Airport.
- Contracted \$42.9 million in International Airport Revenue Fund, general fund, and reimbursable projects.
- Completed construction of the Whittier Access Tunnel and opened it to traffic in June 2000.
- Increased safety awareness in construction work zones by implementing double fines in construction zones and using speed monitoring displays.
- Completed reconstruction of the Parks Highway from the Glenn Highway to Church Street, including an interchange at Trunk Road, which is the first phase of the \$87 million program to widen and improve the Parks Highway from the Glenn Highway through the City of Wasilla.
- Completed reconstruction of the Glenn Highway from MP 55-61 Moose Creek to Sutton and the Sterling Highway from MP37-45 Seward "Y" to Kenai Lake.
- Completed \$16.5 million in runway, taxiway, lighting, environmental and safety improvements at the Fairbanks International Airport, Deadhorse Airport and Birch Creek Airport.

- The Design and Engineering Services Division delivered a comprehensive program of bid ready designs and contract documents for projects across the state. The Division's performance placed the Department in a position to receive an additional \$1.5 million in funding from the Federal Highway Administration.
- Applied chip seal, hot mix, or high float asphalt to 163.7 lane miles of non-NHS road.
- Continued daily ferry service connecting the cities of Juneau, Haines, and Skagway with revenues nearly matching the cost of operation.
- Continued cross-Gulf ferry service, both in summer and in January, with a high level of public acceptance and strong revenues, despite unpredictable weather.
- Established a computer network aboard all AMHS vessels and successfully connected with each vessel via email and a wireless bridge setup at each terminal.
- Implemented an internet reservations process for ferry reservations.
- Received the Federal Motor Carrier Office approval of the Department's Intelligent Transportation System for Commercial Vehicle Operations (ITS/CVO) business plan. This plan establishes the blueprint for Alaska's participation in the USDOT ITS/CVO initiatives.
- Progressed on implementing the Southeast Transportation Plan

Key Performance Measures for FY2002

Measure: The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount.

(Not yet addressed by Legislature.)

Current Status:

Out of a representative random sample of 55 projects completed in FY00, the total percentage change from contract bid to completion was approximately 7%.

Benchmark:

No benchmark is known. A review of other states will be conducted to determine if similar information is collected and used for management purposes. The department experienced the same 7% variance when reviewing a random sample of projects completed in FY98-99.

Background and Strategies:

Currently, the department is working on over 519 active construction projects that span several construction seasons. Significant to the cost of urban projects are traffic maintenance costs necessary for a project to have a minimal impact on the travelling public during construction, and safety, pedestrian, and environmental considerations. Scope changes during construction are rare, and are undertaken only where there is a substantial advantage to the public, the potential of a significant lost opportunity, a safety consideration and/or a major environmental issue.

Contracts allow specific relief for changed conditions that could not be foreseen, forces of nature, and/or unusually severe weather. Due to these factors, specific projects will occasionally have cost overruns. To decrease contract overruns, some combination of the following is necessary: improve estimating quantities in bid documents, make fewer field changes that increase quantities or cost, or decline performing extra work requested by others (e.g., local governments, other agencies).

It is also important to note that because large-dollar projects generally take longer to build and usually have more significant environmental and community impacts than the majority of federal-aid highway projects, they have greater potential to experience substantial cost increases and lengthy construction delays. The Public Facilities Branch typically provides design and construction administration services for other state client agencies. During the course of construction these client agencies may direct additional work be performed, making the stated performance measure out of the control of Department personnel.

Measure: Complete preliminary and final design on projects within 10% of the budget in the Department's current year planning documents.*(Not yet addressed by Legislature.)***Current Status:**

After a year of review, the Division of Design and Engineering Services realizes that the response to this performance measure is more complicated than originally anticipated. Criteria for the data that is to be used and procedures for its compilation must be established in Department procedures. The Division will develop and implement the processes needed to properly report on this measure within the Department's current resources.

Benchmark:

We are not aware of any state comparable benchmarks that are available.

Background and Strategies:

The Division of Statewide Design and Engineering Services participates in the development of the Department's planning documents to ensure that the resulting scope, schedule and budget are consistent with good engineering practices and are practical to implement. The Department will develop and implement management reporting systems for projects so that we improve the coordination of resources, priorities, cost, scope and standards by providing better information on projects as they are developed. Better development of an initial project scope will lead to better budget performance once a project is in design.

The Division continues to refine the estimates used in the planning phase of project development through use of scope, schedule and budget estimating procedures. These estimates are initially prepared by the Department's planning staff, but must be approved by the Design and Engineering Services Division. This input early in the project development process will lead to better estimates.

Measure: The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials.*(Developed jointly with Legislature in FY2001.)***Current Status:**

Northern Region Maintenance and Operations, Highways and Aviation maintains highway and airport lane miles with 42.1 lane miles per full time equivalent position. Southeast Region averages 35.3 highway and airport lane miles per full time equivalent. And, Central Region M&O maintains highway and airport lane miles with an average of 37.0 lane-miles per FTE position.

Benchmark:

Thirteen states average 21.7 lane miles per full time equivalent position based upon the 1993 Washington State report titled Maintenance, Management, and Administration Evaluation Report. Through a recent informal review of WASHTO states, the average lane miles per FTE for those states that responded are as follows:

Arizona	27.61
California	8.80
Colorado	18.66
Hawaii	7.23
Idaho	29.00
Nevada	38.18
Oklahoma	28.90
Texas	28.50

WASHTO Average 23.28

Background and Strategies:

At the current levels of lane miles per full-time-equivalent, the Department is not able to provide an adequate level of service. There is a long list of "deferred maintenance" work - jobs that have not been completed due to lack of personnel and other resources. Staff are required to concentrate on critical needs, such as snow removal, rock slides, flooding, and erosion of roadbeds, and are able to devote less attention to preventive maintenance, such as

crack sealing, ditching, and brush cutting. Work on priority maintenance items is scheduled when time and resources permit, and federal funds are used to improve the transportation infrastructure to minimize future maintenance needs.

The Department plans to implement an Alaskan maintenance management system that will establish specific maintenance criteria (roadway surface, drainage, snow & ice control, traffic services, etc.) with defined service levels and associated cost to identify to the public and legislature meaningful performance measures. Use of the maintenance management system will identify specific maintenance areas (e.g., guardrail repair, brush cutting, etc.) lacking in necessary resources. To reduce the average lane miles per employee, lane miles could be transferred to communities, develop new funding sources, or encourage FHWA to make eligible more maintenance items under the federal aid highway program. The Department will continue to investigate and implement means to increase efficiency and to better manage maintenance efforts through technology and better use of resources.

Measure: The percentage of federal highway funds obligated in the previous federal fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of highway funds from federal fiscal year 2000 were obligated. The Division's performance placed the Department in a position to receive an additional \$1.5 million in funding from the Federal Highway Administration. The additional funds were available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Benchmark:

None.

Background and Strategies:

The Division strives to obligate all federal funds that are available to the state for highway projects. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: Commercial vehicle safety inspections per full-time equivalent employee of the division.

(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000, actual performance was 145.54 inspections per full-time-equivalent employee of the division compared to 109.81 per full-time-equivalent employee in FY99. The Division completed 4,512 inspections during FY2000. From 7/1/00 through 10/15/00, the division has completed 1,511 inspections.

Benchmark:

To date, there is no established national standard for this performance measure, although, the Department's goal is to reach 5,000 inspections per year.

Background and Strategies:

The division anticipates further efficiencies through streamlining the inspection process by implementing electronic inspection reporting at the field level. Two laptops were deployed in September to test this new electronic reporting system. During FY00 31 employees were trained in the North American Standards driver/vehicle safety inspection training and 27 employees attended training for Cargo Tank and Hazardous Materials. This training was conducted over an eight to ten week period covering Alaska statewide and included local police departments and State Troopers.

Measure: The Marine Highway revenue per rider mile divided by the operation costs per rider mile.

(Developed jointly with Legislature in FY2001.)

Current Status:

The ratio of revenue per rider mile to cost per rider mile for FY 00 was .51. This was obtained by dividing the revenue per rider mile of \$.62 by the cost per rider mile that was \$1.22. The revenue figure represents total system generated revenue including passengers, vehicles, cabins, and other revenues.

Benchmark:

The Washington State Ferry System reports a ratio of .60. The British Columbia Ferry Corporation reports a ratio of .81. Their cost per rider mile is about the same as the Alaska Marine Highway System's, but their revenue per mile is much higher because they adjust their tariffs to reflect increased expenditures.

Background and Strategies:

The Alaska Marine Highway System ratio is comparable to the other ferry systems, other than the lower revenue per rider mile when compared to the British Columbia system. Even though the AMHS's revenue per rider mile has increased slightly over the past few years, it has not increased significantly because tariffs have not been adjusted substantially since 1992. This performance measure is influenced by several variables, i.e., seasonal demand, service routes, number of voyages per week between ports and the fluctuation in fuel prices. In FY00, fuel prices increased 50% driving the cost per rider mile up 17%. We are planning to raise fares in FY01, which will increase this ratio by generating additional revenue.

Measure: The total Marine Highway ridership, including passengers and vehicles, compared to the five-year ridership average.

(Developed jointly with Legislature in FY2001.)

Current Status:

The total Marine Highway ridership, including passengers and vehicles, compared to the five-year ridership average.

Benchmark:

There is no good benchmark for this performance measure other than the 5-year average. Both the BC Ferries and Washington State Ferries carry substantially more passengers and vehicles, but both are short haul and commuter type systems.

Background and Strategies:

The Alaska Marine Highway System brought a ninth vessel on line and introduced cross Gulf service in FY1999. This measure is a comparison of ridership with a nine vs. eight-vessel fleet. With the establishment of active marketing by the new AMHS marketing manager hired in FY2001, increased ridership of 3% per year is the Alaska Marine Highway System's goal.

Measure: Reduce the number of International Airports airfield deficiencies in the next fiscal year to zero major discrepancies and less than 25 minor discrepancies.

(Revised from Legislature's FY2001 version.)

Current Status:

Historically, Ted Stevens Anchorage International Airport (AIA) receives approximately 50 annual discrepancies and Fairbanks International Airport (FIA) receives less than three, including numerous minor deviations from FAA standards.

Benchmark:

There is no established standard or quantitative measure for FAA certification inspections. Both airports attempt to provide the safest, most efficient service to airlines and the traveling public.

Background and Strategies:

The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139 certification requirements. These inspections cover a broad range of areas including Airport Rescue and Firefighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Airports' goal is to improve compliance with the FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. This information, in turn, must be detailed into a maintenance management program with all maintenance and training actions completed prior to annual inspections by the FAA.

These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

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These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount. Complete preliminary and final design on projects within 10% of the budget in the Department's planning documents. Highway lane miles per Highways and Aviation, Maintenance and Operations employee not to exceed 22. Increase commercial driver and vehicle safety inspections to 3,600 per year. Maintain number of commercial vehicle size, weight, safety and permit violations at no more than 325 per year. Increase number of Alaska Marine Highway System vessel on-time departures to 85%. Increase ratio of AMHS revenue to cost per rider mile by 3%. The International Airports shall maintain a minimum pavement condition index (PCI) of 70 for runways and 60 for taxiways and aprons. Reduce the number of International Airports airfield deficiencies in the next fiscal year by 10%. 		X			
		X			
					X
					X
					X
					X
					X
					X
					X

Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Administration and Support	931.7	66.2	328.7	1,326.6	955.2	0.0	403.0	1,358.2	948.6	0.0	538.4	1,487.0
Equal Employment/ Civil Rights	285.7	0.0	173.9	459.6	306.5	0.0	257.3	563.8	307.2	0.0	295.6	602.8
Internal Review	118.6	0.0	458.7	577.3	133.7	0.0	592.0	725.7	58.7	0.0	680.6	739.3
Administrative Services	4,053.8	0.0	4,829.0	8,882.8	4,045.0	50.4	5,526.8	9,622.2	4,137.7	0.0	5,553.5	9,691.2
Regional Support Services	1,857.3	0.0	2,037.1	3,894.4	1,814.3	0.0	2,141.1	3,955.4	1,914.7	0.0	2,129.5	4,044.2
Statewide Aviation	408.8	0.0	233.3	642.1	453.9	0.0	222.4	676.3	451.6	0.0	226.0	677.6
Planning	330.6	0.0	4,656.1	4,986.7	342.2	0.0	5,397.4	5,739.6	342.7	0.0	5,464.9	5,807.6
Design & Eng Services	1,843.9	0.0	28,728.5	30,572.4	1,896.1	0.0	30,623.8	32,519.9	1,920.4	0.0	33,175.3	35,095.7
Construction/CIP Support	728.2	0.0	25,518.6	26,246.8	742.4	0.0	26,725.8	27,468.2	742.9	0.0	29,027.7	29,770.6
Statewide Facility M&O	14,848.9	1.2	2,498.2	17,348.3	12,368.5	2.0	5,317.1	17,687.6	11,429.3	2.0	2,931.9	14,363.2
State Equipment Fleet	0.0	0.0	17,832.2	17,832.2	0.0	0.0	19,649.1	19,649.1	0.0	0.0	19,568.7	19,568.7
Measure Stnds & Comm Veh. Enf.	3,404.3	0.0	397.9	3,802.2	2,034.6	0.0	2,164.1	4,198.7	2,016.4	0.0	2,629.5	4,645.9
Highways and Aviation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	73,804.6	1,634.6	1,799.7	77,238.9
Statewide Highways	0.0	0.0	0.0	0.0	257.6	0.0	0.0	257.6	0.0	0.0	0.0	0.0
Snowplowing												
Central Region Hwys & Aviation	26,823.3	239.5	2,107.7	29,170.5	26,416.1	1,175.9	1,496.5	29,088.5	0.0	0.0	0.0	0.0
Statewide Highways and	0.0	0.0	0.0	0.0	500.0	0.0	971.4	1,471.4	0.0	0.0	0.0	0.0

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Aviation												
Whittier Access & Tunnel	0.0	0.0	0.0	0.0	0.0	0.0	450.0	450.0	0.0	0.0	0.0	0.0
International Airports	0.0	0.0	288.0	288.0	0.0	0.0	299.9	299.9	0.0	0.0	375.0	375.0
Northern Reg Hwys & Aviation	36,331.7	416.8	3,789.3	40,537.8	36,043.3	464.0	1,122.4	37,629.7	0.0	0.0	0.0	0.0
Southeast Reg Hwys & Aviation	8,806.8	0.0	626.0	9,432.8	8,781.5	0.0	302.7	9,084.2	0.0	0.0	0.0	0.0
Ted Stevens Airport	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32,789.7	32,789.7
Fairbanks International Airp.	0.0	0.0	9,192.8	9,192.8	0.0	0.0	9,581.9	9,581.9	0.0	0.0	10,202.8	10,202.8
Anchorage International Airp.	0.0	0.0	30,657.0	30,657.0	0.0	0.0	32,217.5	32,217.5	0.0	0.0	0.0	0.0
Marine Vessel Operations	500.0	0.0	70,550.1	71,050.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Marine Highway System	0.0	0.0	3,306.0	3,306.0	0.0	0.0	78,843.9	78,843.9	0.0	0.0	79,395.0	79,395.0
Front Section	27,129.5	0.0	0.0	27,129.5	27,909.7	0.0	0.0	27,909.7	29,182.0	0.0	0.0	29,182.0
Totals	128,403.1	723.7	208,209.1	337,335.9	125,000.6	1,692.3	224,306.1	350,999.0	127,256.8	1,636.6	226,783.8	355,677.2

Funding Source Summary*All dollars in thousands*

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1002 Federal Receipts	723.7	1,692.3	1,636.6
1003 General Fund Match	74.8	75.2	
1004 General Fund Receipts	123,754.4	120,849.1	123,554.8
1005 General Fund/Program Receipts	4,573.9	3,712.9	3,702.0
1007 Inter-Agency Receipts	14,146.6	6,375.1	4,460.8
1026 Highway Working Capital Fund	20,080.0	24,177.2	22,588.1
1027 International Airport Revenue Fund	40,884.6	43,125.2	44,313.8
1052 Oil/Hazardous Response Fund	700.0	700.0	350.0
1053 Investment Loss Trust Fund		363.4	
1061 Capital Improvement Project Receipts	56,989.1	65,697.3	71,579.1
1076 Marine Highway System Fund	74,787.7	80,090.8	80,461.0
1108 Statutory Designated Program Receipts	621.1	1,273.6	1,224.7
1147 Public Building Fund		1,115.4	
1156 Receipt Supported Services		1,751.5	1,806.3
Totals	337,335.9	350,999.0	355,677.2

Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	2,847	2,867
Permanent Part Time	634	633
Non Permanent	9	9
Totals	3,490	3,509

FY2002 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Management Reporting System Efficiency - Analysis and Development	250,000	0	0	250,000
Safety Inspection of State Owned High Risk Facilities	400,000	0	0	400,000
Material Stockpiles: Dalton - Elliott Highway	500,000	0	0	500,000
Valdez - Harborview Development Center	132,300	0	129,000	261,300
Weights and Measures Testing Unit Replacement	260,000	0	0	260,000
Alaska Marine Highway System: Overhaul, Rehabilitation, and Mandatory Training	4,800,000	0	0	4,800,000
Facilities Deferred Maintenance and Critical Repairs	1,500,000	0	0	1,500,000
Emergency and Non-Routine Repairs	1,000,000	0	0	1,000,000
Corps of Engineers - Harbors Program	1,248,000	0	0	1,248,000
Harbor Deferred Maintenance	1,000,000	0	0	1,000,000
Airport Deferred Maintenance	1,000,000	0	0	1,000,000
Highway Deferred Maintenance	1,500,000	0	0	1,500,000
State Equipment Fleet Replacement	0	0	11,800,000	11,800,000
Statewide Federal Programs	48,651,400	24,735,000	13,750,000	87,136,400
Airport Improvement Program	0	143,863,257	150,365,900	294,229,157
Surface Transportation Program	0	423,100,000	100,000	423,200,000
Department Total	62,241,700	591,698,257	176,144,900	830,084,857

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Overview of Departmental Budget Changes

Highway Maintenance and Operations:

The FY01 operating budget provided funding for the reopening of maintenance stations closed in FY00 and opening of seasonally closed roads in Northern Region. The funds for these actions came from the Highway Working Capital Fund. This fund is an internal service fund that state agencies pay into for the use of state vehicles and is used for the maintenance and replacement of that equipment. Continued use of the fund source for other purposes would undermine the ability to purchase vehicles as needed and result in higher costs to finance vehicle purchases. This budget request reflects a change in fund source to general funds which is the appropriate means of funding this basic state service.

Facilities:

The Legislature passed and the Governor signed into law Chapter 126, SLA 00, containing a method for the Department of Administration to receive payments from state agencies for costs of the occupant's use of building space. The FY01 budget transferred general funds to various state agencies for the maintenance of eight state-owned facilities. Since the passage of this legislation, it has been determined that DOA should supervise the maintenance staff. The staff also work on buildings other than those included in CH. 126. To keep the lines of supervision and responsibility clear, this budget transfers the costs of maintaining these Juneau facilities and the staff to DOA.

International Airports:

The Anchorage and Fairbanks International Airports have seen growth in cargo and international airplane activities and in requirements placed upon them by federal regulatory agencies. The FY02 budget includes increases essential to meeting the safety, maintenance, operation and environmental concerns with those additional responsibilities. Total increase requested is \$1,375,700 in International Airport Revenue Funds.

Measurement Standards and Commercial Vehicle Enforcement

The Federal Office of Motor Carrier Safety provides funds for motor carrier compliance reviews. The commercial vehicle safety program will be increased to provide those reviews plus driver and vehicle inspections and inspections for violations in transporting of hazardous materials. Federal funds will also be used to implement the commercial vehicle information system that provides safety information to inspectors in the field. A cooperative agreement is being developed with the U.S. Department of Commerce, National Marine Fisheries Service, to fund a position that will perform the inspection and testing of flow scales and observer scales utilized in the CDQ fisheries.

Alaska Marine Highway System

The Marine Highway Fund will be depleted during FY2002. The Department is taking various actions to deal with the problem. Unfortunately, revenue generation actions have a delayed time frame and the fund is in need of general fund support. The addition of \$819.8 million more than the FY2001 level is necessary to keep the fund balanced. Funds are also being requested to improve future revenues through increased marketing as recommended by an independent marketing study, for increased inspection of vessel passenger services, and financial management support to the system.

Departmentwide:

As a result of a task force review of the department's methods used to calculate and bill indirect costs, modifications were made to the department's overall indirect cost allocation plan (ICAP) to bring it in line with federal Office of Management and Budget (OMB) Circular A-87 guidelines. This action moves expenditures that are not considered direct costs of projects and makes them indirect. The budget adds \$2,003.4 in CIP funds to travel, contractual and commodities to reflect this change in ICAP process.

The Department found that with a growing construction program and a national shortage of engineers, there is intense competition for qualified engineers. In an effort to meet the needs of the design and construction programs, a salary study was completed and approval was received to increase the range of all engineering classifications. So far, the result of this action has been extremely positive in being able to recruit and retain engineers in positions that had remained vacant for months. The FY02 budget adds \$3.6 million of mostly capital improvement program funds to cover the cost of the increased salaries.

The position count for the department shows an increase of 8 full-time positions. The following is a brief explanation for the increase:

1 - Alaska Marine Highway - Financial Manager for the system

3 - Measurement Standards/Commercial Vehicle Enforcement - CIP for implementation of the following federal programs: Intelligent Transportation Systems, motor carrier compliance review, and National Marine Fisheries "at sea" weighing program

1 - Measurement Standards/Commercial Vehicle Enforcement - an administrative clerk supported through fees of the MS/CVE programs

3 - International Airports - revenue supported increases for operations and maintenance

Summary of Department Budget Changes by BRU

From FY2001 Authorized to FY2002 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	125,000.6	1,692.3	224,306.1	350,999.0
Adjustments which get you to start of year:				
-Administration and Support	0.0	0.0	79.0	79.0
-Equal Employment/ Civil Rights	0.0	0.0	30.0	30.0
-Internal Review	0.0	0.0	16.0	16.0
-Design & Eng Services	0.0	0.0	961.9	961.9
-Construction/CIP Support	0.0	0.0	687.2	687.2
-Highways and Aviation	0.0	0.0	37.6	37.6
-Ted Stevens Airport	0.0	0.0	46.5	46.5
-Fairbanks International Airp.	0.0	0.0	29.7	29.7
-Marine Highway System	0.0	0.0	115.5	115.5
Adjustments which will continue current level of service:				
-Administration and Support	-6.6	0.0	46.6	40.0
-Equal Employment/ Civil Rights	0.7	0.0	-2.8	-2.1
-Internal Review	-75.0	0.0	72.6	-2.4
-Administrative Services	92.7	-50.4	5.7	48.0
-Regional Support Services	100.4	0.0	-11.6	88.8
-Statewide Aviation	-2.3	0.0	0.1	-2.2
-Planning	0.5	0.0	-21.7	-21.2
-Design & Eng Services	-0.7	0.0	-206.8	-207.5
-Construction/CIP Support	0.5	0.0	-121.6	-121.1
-Statewide Facility M&O	-939.2	0.0	-872.6	-1,811.8
-State Equipment Fleet	0.0	0.0	-80.4	-80.4
-Measure Stnds & Comm Veh. Enf.	-18.2	0.0	23.7	5.5
-Highways and Aviation	2,388.7	-5.3	-1,214.0	1,169.4
-Statewide Highways Snowplowing	-257.6	0.0	0.0	-257.6
-Statewide Highways and Aviation	-500.0	0.0	-971.4	-1,471.4
-Whittier Access & Tunnel	0.0	0.0	-450.0	-450.0
-International Airports	0.0	0.0	-0.9	-0.9
-Ted Stevens Airport	0.0	0.0	-177.9	-177.9
-Fairbanks International Airp.	0.0	0.0	-40.1	-40.1
-Marine Highway System	0.0	0.0	-25.2	-25.2
Proposed budget decreases:				
-Statewide Facility M&O	0.0	0.0	-1,515.3	-1,515.3
Proposed budget increases:				
-Administration and Support	0.0	0.0	9.8	9.8
-Equal Employment/ Civil Rights	0.0	0.0	11.1	11.1
-Administrative Services	0.0	0.0	21.0	21.0
-Statewide Aviation	0.0	0.0	3.5	3.5
-Planning	0.0	0.0	89.2	89.2
-Design & Eng Services	25.0	0.0	1,796.4	1,821.4
-Construction/CIP Support	0.0	0.0	1,736.3	1,736.3
-Statewide Facility M&O	0.0	0.0	2.7	2.7
-Measure Stnds & Comm Veh. Enf.	0.0	0.0	441.7	441.7

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
-Highways and Aviation	175.0	0.0	54.5	229.5
-International Airports	0.0	0.0	76.0	76.0
-Ted Stevens Airport	0.0	0.0	703.6	703.6
-Fairbanks International Airp.	0.0	0.0	631.3	631.3
-Marine Highway System	0.0	0.0	460.8	460.8
-Front Section	1,272.3	0.0	0.0	1,272.3
FY2002 Governor	127,256.8	1,636.6	226,783.8	355,677.2

Administration and Support Budget Request Unit

Contact: Kurt Parkan, Deputy Commissioner

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BRU Mission

The mission is to provide executive leadership, coordination with other governmental agencies and oversight of construction contracting and non-construction procurement activities.

BRU Services Provided

The Department of Transportation and Public Facilities (DOT&PF) is statutorily responsible for the planning, design, construction, maintenance, and operations of transportation facilities and buildings. We strive to achieve a balance between steady planned growth in the intermodal transportation system, which supports economic development and improved quality of life, and the effective management of maintenance and operations for the state's existing investment in transportation and public facilities infrastructure. This BRU contains the highest level of leadership necessary to insure the department meets its statutory responsibilities.

The Section of Contracting, Procurement and Appeals develops, implements, and maintains policies, procedures, and standards that assure all transportation modes and regions receive responsive and consistent guidance, direction and training in administering construction and non-construction procurements and contracts.

BRU Goals and Strategies

- Define the future responsibilities of the department.
- Analyze the departmental organization to determine if we have the most efficient and effective structure.
- Develop sustainable revenue mechanisms that provide adequate funding to support development and operations of state transportation system and public facilities.
- Coordinate operating and capital budget requests and secure the necessary federal and state funding to meet all the statewide transportation needs.
- Work closely with executive and legislative branches to secure appropriate funding levels.

Key BRU Issues for FY2001 – 2002

Key issues in the department are the levels and allocation of federal construction funds, compliance with federal environmental requirements, growth and redevelopment of the Anchorage International Airport and changes in the composition and service levels of the Alaska Marine Highway System. Leadership is needed to meet the challenge to maintain a positive and productive work environment, facilitate meaningful human resources development and ensure high levels of responsiveness to the general public in light of continued reductions in program funding.

Major BRU Accomplishments for FY2000

- Hosted the annual Western Association of State Highway Transportation Officials (WASHTO) conference in Juneau during July 1999.
- Began campaign in conjunction with the State Troopers to promote safety in highway construction work zones.
- In partnership with representatives of the Associated General Contractors of Alaska and impacted Labor Unions, revised the outdated policy and procedure on remote camps and evaluated whether there is a need for a remote camp (over the next two fiscal years) on the currently identified 167 STIP construction projects.
- Consolidated and reissued 9 sister agency (14 divisions) delegation of construction authority agreements.
- Issued Contracts Officer Bulletins to provide guidance on construction related contracting and procurement issues.

Administration and Support
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Commissioner's Office	659.2	0.0	181.7	840.9	677.9	0.0	185.8	863.7	674.8	0.0	320.7	995.5
Contracts, Procurement, Appeals	272.5	0.0	140.4	412.9	277.3	0.0	217.2	494.5	273.8	0.0	217.7	491.5
Y2K Appropriation	0.0	66.2	6.6	72.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	931.7	66.2	328.7	1,326.6	955.2	0.0	403.0	1,358.2	948.6	0.0	538.4	1,487.0

Administration and Support**Proposed Changes in Levels of Service for FY2002**

None

Administration and Support**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	955.2	0.0	403.0	1,358.2
Adjustments which get you to start of year:				
-Commissioner's Office	0.0	0.0	79.0	79.0
Adjustments which will continue current level of service:				
-Commissioner's Office	-3.1	0.0	48.7	45.6
-Contracts, Procurement, Appeals	-3.5	0.0	-2.1	-5.6
Proposed budget increases:				
-Commissioner's Office	0.0	0.0	7.2	7.2
-Contracts, Procurement, Appeals	0.0	0.0	2.6	2.6
FY2002 Governor	948.6	0.0	538.4	1,487.0

Component: Commissioner's Office

Contact: Kurt Parkan, Deputy Commissioner

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Component Mission

The Commissioner's Office mission is to provide executive leadership to all activities of the department and to coordinate with the executive and legislative branches of state government, other state agencies, and the federal government.

Component Services Provided

The Department of Transportation and Public Facilities (DOT&PF) is statutorily responsible for the planning, design, construction, maintenance, and operations of transportation facilities and buildings. We strive to achieve a balance between steady planned growth in the intermodal transportation system, which supports economic development and improved quality of life, and the effective management of maintenance and operations for the state's existing investment in transportation and public facilities infrastructure.

Component Goals and Strategies

The Commissioner's Office mission is to provide executive leadership to all activities of the department and to coordinate with the executive and legislative branches of state government, other state agencies, and the federal government.

Key Component Issues for FY2001 – 2002

Key issues in the department are the levels and allocation of federal construction funds, compliance with federal environmental requirements, growth and redevelopment of the Anchorage International Airport and changes in the composition and service levels of the Alaska Marine Highway System. Meet the challenge to maintain a positive and productive work environment, facilitate meaningful human resources development and ensure high levels of responsiveness to the general public in light of continued reductions in program funding.

The Commissioner is one of fifty members of the Policy Committee for the American Association of State Highway and Transportation Officials (AASHTO). The Commissioner is chairman of the Highways Committee for AASHTO and president of the Western Association of State Highway and Transportation Officials (WASHTO). Both organizations are responsible for developing standards for transportation systems nationally and within the western region. It is imperative that sufficient resources be provided for the Commissioner and Deputy Commissioners to meet with employees, the public and other officials, and personally review facilities and conditions throughout the state, as well as to participate on the national level for Alaska transportation issues.

Major Component Accomplishments for FY2000

- The Whittier Tunnel was opened June 7, 2000.
- The Department delivered a comprehensive program of bid ready designs and contract documents for projects across the state and, as a result, received an additional \$1.5 million in Federal Highway Administration funding.
- Constructed a temporary check-in facility at the Ted Stevens Anchorage International Airport to offset the short-term closure of the upper arrival ramp due to airport reconstruction. Opened new upper ramp and inbound lanes on June 17, six weeks ahead of schedule.
- Acquired the International Safety Management (ISM) program certification required for Alaska Marine Highway System (AMHS) vessels to visit Canadian ports. AMHS is the only U.S. flag, vehicle-passenger vessel fleet with overnight accommodations to have earned this certification. This certification has become the safety standard for the entire AMHS fleet.

- Successfully tested, converted and upgraded systems and avoided significant difficulties related to Y2K.
- Received a commendation from the Federal Highway Administration for Highway Performance Management System data submittal.

Statutory and Regulatory Authority

AS 44.42.010-900 State Government
AS 02 Aeronautics
AS 19 Highways and Ferries
AS 35 Public Building, Works and Improvements

Key Performance Measures for FY2002

Measure: The percentage of divisions that reach assigned performance measures.

(Added by Legislature in FY2001 version.)

Current Status:

All divisions are either tracking legislatively assigned performance measures or performance measures that have been slightly modified from the versions contained in Chapter 126, SLA 2000. In those instances where goals have been established, the department is working towards reaching those goals though many can not be accomplished within a single year.

Benchmark:

None.

Background and Strategies:

Knowing how well an organization is functioning is vital to good management. Performance measures are needed to tell whether we are getting the results we desire from our programs. They must tell us how effective and efficient we are or indicate where improvement is needed. The Department is gathering data for the performance measures noted in the FY01 legislation. Setting Department goals can be difficult, but with a few years of performance measure tracking and additional benchmark identification, goal setting should be easier.

Measure: The percentage of state national highway system lane miles of road that meet standards of the American Association of State Highway Transportation Officials.

(Developed jointly with Legislature in FY2001.)

Current Status:

After 5 years of a concerted effort to modernize the National Highway System (NHS) routes within Alaska, there are 1,424 miles (70%) of the NHS that meet national standards and 615 miles (30%) [including much of the Dalton Highway] which do not meet these standards. Significant progress has been made on the Sterling, Seward, Glenn and other major highways in recent years to improve our highway systems for citizens and commerce while adding to safety.

Benchmark:

Nearly all NHS routes nationally meet minimum geometric standards, except for capacity, pavement condition and bridge condition. Until recently, Alaska's NHS routes were far behind other states in meeting basic geometric standards of highway width, shoulder width, curvature and grade. The recent focus on NHS routes nationally, including the provision of new federal monies, has paralleled Alaska's recent strong push to bring our most important highways up to minimum geometric standards. The department continues to push for both bringing substandard sections of the NHS up to minimums, and addressing critical capacity shortfalls on NHS routes in urban areas.

Background and Strategies:

Projects for reconstruction of substandard NHS roads are programmed in the Statewide Transportation Plan for completion in 10 - 12 years, depending upon federal and state funding received.

Measure: Whether the department fully implements the maintenance management system statewide by June 30, 2003.

(Added by Legislature in FY2001 version.)

Current Status:

The department currently has a consultant hired to research the benefits and costs of implementation of a Maintenance Management System. Recommendations and final cost estimates will be completed by February 2001.

Benchmark:

No benchmark has been established.

Background and Strategies:

A consultant was hired to determine the approach and scope of a Maintenance Management System (MMS) that the department would like to follow. Various models are available with some requiring so much input and documentation that any cost saving would be consumed by new administrative costs. The department wants a system that will allow effective management of our assets and responsibilities. It is envisioned that the MMS will be implemented in a phased multi-year approach. Initial work will focus on establishing a maintenance feature inventory using standard units of measure, automation of deferred maintenance needs assessment, and establishment of a maintenance quality assurance program. These precursors will provide immediate useful information and tools. Implementation of a traditional MMS will follow.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The percentage of divisions that reach assigned performance measures. The percentage of state national highway system lane miles of road that meet standards of the American Association of State Highway Transportation Officials. Whether the department fully implements the maintenance management system statewide by June 30, 2003. 		X			
		X			
			X		

Commissioner's Office
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	655.8	708.2	821.0
72000 Travel	65.2	46.6	57.1
73000 Contractual	85.4	99.5	105.0
74000 Supplies	27.3	9.4	12.4
75000 Equipment	7.2	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	840.9	863.7	995.5
Funding Sources:			
1004 General Fund Receipts	659.2	677.9	674.8
1007 Inter-Agency Receipts	75.8	75.8	131.9
1026 Highway Working Capital Fund	12.0	13.0	12.7
1027 International Airport Revenue Fund	93.9	97.0	96.7
1061 Capital Improvement Project Receipts	0.0	0.0	79.4
Funding Totals	840.9	863.7	995.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	75.8	75.8	75.0	131.9	131.9
Highway Working Capital Fund	51050	12.0	13.0	13.0	12.7	12.7
International Airport Revolving Fund	51055	93.9	97.0	97.0	96.7	96.7
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	79.4	82.0
Restricted Total		181.7	185.8	185.0	320.7	323.3
Total Estimated Revenues		181.7	185.8	185.0	320.7	323.3

Commissioner's Office

Proposed Changes in Levels of Service for FY2002

None.

Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	677.9	0.0	185.8	863.7
Adjustments which get you to start of year:				
-Add \$79.0 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	79.0	79.0
Adjustments which will continue current level of service:				
-Transfer in \$50.0 I/A from Central D&ES to fund Chief of M&O and support costs	0.0	0.0	50.0	50.0
-Year 2 Labor Costs - Net Change from FY2001	-3.1	0.0	-1.3	-4.4
Proposed budget increases:				
-Add \$7.2 I/A to fund increases in Engineers' pay resulting from a classification study .	0.0	0.0	7.2	7.2
FY2002 Governor	674.8	0.0	320.7	995.5

Commissioner's Office**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	8	10	Annual Salaries	630,429
Part-time	1	0	COLA	12,546
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	202,066
			<i>Less 2.84% Vacancy Factor</i>	(24,041)
			Lump Sum Premium Pay	0
Totals	9	10	Total Personal Services	821,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Commissioner	0	0	1	0	1
Dep Commissioner	0	0	2	0	2
Engineer/Architect IV	0	0	1	0	1
Exec Secretary III	0	0	1	0	1
Publications Spec III	0	0	1	0	1
Secretary	0	0	2	0	2
Spec Asst To The Comm I	0	0	1	0	1
Spec Asst To The Comm II	0	0	1	0	1
Totals	0	0	10	0	10

Component: Contracting, Procurement and Appeals

Contact: Mark O'Brien, Chief Contracts Officer

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Component Mission

The mission of Contracting, Procurement & Appeals is to execute the DOT&PF Commissioner's statutory responsibility for construction contracting, and to execute authority delegated by the Commissioner of the Department of Administration for non-construction procurements under AS 36.30.015.

Component Services Provided

Services provided by the Contracting, Procurement and Appeals component are to:

- develop, implement, and maintain those policies, procedures, and operational standards that assure all transportation modes and regions (marine highways, statewide aviation, statewide design and engineering services, the regional highway construction and maintenance groups, and those sister agencies with a DOT&PF delegation of construction authority) receive responsive and consistent guidance in the administration of construction and non-construction procurements and contracts.
- provide direct and instant support on procurement practices, contract formation and contract administration.
- assist the DOT&PF Commissioner in protest and claim appeal resolution.
- oversee Departmental compliance with federal and state laws, regulations, and policies governing procurements and contracts administration.
- recommend changes to procurement law when appropriate.
- review and improve where necessary solicitation and contract language that serves to minimize exposure to claims and protests.
- analyze and assist in the resolution of contract and procurement claims and disputes before they become appeals.
- process procurement Waiver Requests.
- approve Term Agreements, Public Interest Findings, and Force Account work.
- make determinations on Design/Build needs.
- set-up leases.
- supervise warehouse, inventory and property control.
- give training on how to solicit for and manage construction and non-construction procurement contracts.

Staff also monitor and report

- procurements made from sources out of state.
- the value of all procurements made annually.
- the number of bidders or offerors that bid or made proposals.
- litigation completed and in process.

Component Goals and Strategies

To ensure compliance with all federal and state laws, regulations, and policies governing all forms of contracting and procurement.

- Provide the advise, guidance, training and tools necessary to assure funding eligibility in accordance with federal aid and grant requirements.
- Establish statewide consistency by the promulgation of statewide policy, regulation and procedures concerning procurements and contract administration.
- Evaluate and document all procurement waivers and public interest findings to ensure compliance with federal and state law.
- Act as liaison with the Department of Administration on evaluating shared interests in current regulatory and statutory authorities. Recommend changes in legislation where necessary to promote procurement efficiencies.
- Coordinate and review current and proposed procurement and contracting procedures with stakeholders, e.g. Associated General Contractors of Alaska, construction Labor Unions.
- Review and resolve all protest and claim appeals filed with the Commissioner.

To evaluate new methods that promote efficient and economical contracts and/or improve project deliveries.

- Review procurement and contracting methods in use by other governmental entities and implement as appropriate;
- Continue to assess and advance the incorporation of electronic bidding procedures as appropriate.
- Promote cost savings by taking advantage of economies of scale and the establishment of department-wide term contracts;
- Establish new contracts and leases when required, renewing existing contracts and leases in a timely manner to assure continuity of operations, and by purchasing one-time requirements in a timely manner to meet project deadlines.

To provide responsible oversight of inventory and property control:

- Promote responsible management of state property by documenting loss, theft, or damaged equipment and requesting the disposal of obsolete and excess property items.
- Establish sound departmental warehouse inventory levels and procedures by conducting annual reviews of regional warehouse functions.

Key Component Issues for FY2001 – 2002

- Develop, in coordination with the Associated General Contractors of America (AGC) and regional staff, revisions to the adjudication of the construction claims appeal process. This will involve the review of other state's successes of incorporating adjudication procedures such as binding arbitration and a claims board of appeals. Based on findings and work with the AGC, the Department's will develop additional means and methods for timely resolving construction claim disputes.
- Revise or create new policy and procedures on issues of: Force Account Work; Public Interest Findings; (Remote) Camp Determinations; and, Requesting Design/Build Procurement Approval.
- Continue providing direct and immediate support to the regions and sister agencies so that uniform and consistent procurement and contract administration is assured.
- Train regional and sister agency staff on contracting and managing construction contracts.
- Oversee Departmental compliance with federal and state laws, regulations, and policies governing all forms of procurement and contract administration.
- Identify needs for additional policy and procedural guidelines related to procurement and contract administration, and develop appropriate documents to achieve desired results.
- Work with the Department of Labor to support the Department's and the Governor's efforts to promote local hire - continue work with the Department of Labor in encouraging local communities to assist the State in supporting local hire issues.

Major Component Accomplishments for FY2000

- Established a task group with the Associated General Contractors of Alaska and published draft revisions to the statutory claims resolution process.
- Completed and distributed a new statewide master lease agreement for village airports.
- Compiled and submitted statutory required reports detailing DOT&PF and Sister Agency construction procurements made during the FY.
- Established statewide master contracts for use by all regions.

Statutory and Regulatory Authority

U. S.C. Title 23
AS Title 02, Aeronautics
AS Title 19, Highways and Ferries
AS Title 35, Public Buildings, Works and Improvements
AS Title 36, (Procurement Code)
AS Title 44, (Applicable Portions)
2 AAC 12, Procurement Regulations
AAM (Alaska Administrative Manual)

Key Performance Measures for FY2002

Measure: The percentage of protests and claims appealed to the DOT&PF Commissioner that the courts on subsequent appeal overturn.

(Revised from Legislature's FY2001 version.)

Current Status:

During FY2000, there were 4 DOT&PF claim appeals that were either already in or made their way to the Alaska Courts. None of these cases were finally adjudicated in FY2000. Therefore, based on the most recent fiscal year data available, 0% of the division's protest or claim decisions were overturned by the courts. We anticipate that such performance will be duplicated in continuing years (i.e. if protests or claims are appealed to the courts, our administrative decisions will not be overturned).

Benchmark:

There is no established national standard for this performance measure. It is, however, the Department's goal to have 0% of our protest or claim appeals overturned by the appellate court.

Background and Strategies:

Appeals adjudicated by the Department's administrative hearing process average 4.8 per year.

From 1992 through 1999, 49 construction protest and claim appeals that were filed with the DOT&PF Commissioner were directed for a formal administrative hearing. This does not include those appeals receiving a directed decision by the Commissioner. Of the appeals directed to hearing: 23 were claims, 23 were protests, and 3 were leases. 10 of these appeals were settled before hearings started. 39 were heard or, in some instances, partially heard (i.e. settlement was reached during the hearing process, thus stopping it).

Of the 49 appeals, 12 have been appealed to the courts where one was remanded for settlement, the State prevailed on 7 (i.e. the original administrative decision of the Department was upheld) and 4 currently reside in the courts.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The percentage of protest and claim decisions of the division overturned by the courts during the fiscal year. 		X			

Contracting, Procurement and Appeals**Component Financial Summary***All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	383.7	440.5	437.5
72000 Travel	12.1	12.0	12.0
73000 Contractual	8.5	35.1	35.1
74000 Supplies	8.6	6.9	6.9
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	412.9	494.5	491.5
Funding Sources:			
1004 General Fund Receipts	272.5	277.3	273.8
1007 Inter-Agency Receipts	14.0	41.9	41.9
1026 Highway Working Capital Fund	33.6	34.6	34.5
1027 International Airport Revenue Fund	34.7	35.7	35.6
1061 Capital Improvement Project Receipts	58.1	105.0	105.7
Funding Totals	412.9	494.5	491.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	14.0	41.9	41.9	41.9	41.9
Highway Working Capital Fund	51050	33.6	34.6	34.6	34.5	34.5
International Airport Revolving Fund	51055	34.7	35.7	35.7	35.6	35.6
Capital Improvement Project Receipts	51200	58.1	105.0	105.0	105.7	105.7
Restricted Total		140.4	217.2	217.2	217.7	217.7
Total Estimated Revenues		140.4	217.2	217.2	217.7	217.7

Contracting, Procurement and Appeals
Proposed Changes in Levels of Service for FY2002

None.

Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	277.3	0.0	217.2	494.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-3.5	0.0	-2.1	-5.6
Proposed budget increases:				
-Add \$2.6 CIP to fund increases in Engineers pay resulting from a classification study	0.0	0.0	2.6	2.6
FY2002 Governor	273.8	0.0	217.7	491.5

Contracting, Procurement and Appeals**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	6	6	Annual Salaries	330,496
Part-time	0	0	COLA	6,398
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	113,543
			<i>Less 2.87% Vacancy Factor</i>	(12,937)
			Lump Sum Premium Pay	0
Totals	6	6	Total Personal Services	437,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Chief Contracts Officer	0	0	1	0	1
Engineering Associate	0	0	1	0	1
Procurement Spec II	0	0	1	0	1
Procurement Spec III	0	0	1	0	1
Supply Chief, DOT & PF	0	0	1	0	1
Totals	0	0	6	0	6

BRU/Component: Equal Employment and Civil Rights

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Component Mission

The mission of the Equal Employment and Civil Rights component is to enhance the operations of the Department through the promotion, monitoring and support of Title VI Programs such as the External Equal Employment Opportunity (ExEEO) Program, the Disadvantaged Business Enterprises (DBE) Program, and the On The Job Training (OJT) Program in the transportation construction industry.

Component Services Provided

Staff is responsible for the following programs that have been developed and implemented in accordance with specific federal regulations:

- Three affirmative action programs (DBE, ExEEO, and OJT) which provide opportunities that otherwise would not normally exist within the construction arena. These programs apply to contractors and subcontractors working on USDOT-assisted projects.
- Two non-discrimination programs (Title VI of the Civil Rights Act of 1964 [Title VI] & Americans with Disabilities Act of 1990 [ADA]) which ensure equal treatment by the Department with respect to its dealings with the public in all phases of operation.
- Two support services programs which provide assistance to contractors and the public in understanding and participating in the DBE and OJT Programs.
- A contract compliance program that monitors, enforces contractor compliance, and assists with construction related affirmative action programs.

Component Goals and Strategies

To preserve funding from USDOT by administering an effective Civil Rights program. This includes:

- Ensure that the department is in compliance with all federal and state laws, regulations, and policies governing ExEEO, DBE and OJT on highway and airport construction projects;
- Ensure Departmental compliance with federal non-discrimination and equal employment obligations on USDOT-assisted design and construction projects.
- Ensure sub-recipient (local governments, non-profit organizations, etc) compliance with federal non-discrimination obligations on Federal Highway Administration (FHWA)-assisted projects.
- Work closely with the Department of Labor to implement programs to increase local hire on highway and airport construction located in remote communities.
- Efficiently and effectively use FHWA grant funding to train and employ rural residents on highway and airport projects.
- Refine changes made to the DBE program in FY2001 to ensure efficient, fair and effective administration of the program.
- Develop new and more effective ways to help DBE firms succeed in USDOT-assisted design and construction projects.

Key Component Issues for FY2001 – 2002

- Continue work with the Department of Labor to encourage local hire when viable and appropriate. New policy and procedures will need to be developed to better address local hire on USDOT-assisted construction in rural communities.
- The new DBE program may generate increased activity in the area of administrative appeals, reconsideration of construction bids and more detailed review of financial statements, which will require additional financial resources to

competently implement. Additional legal and training expenses may be incurred as a result of these DBE program changes.

- New regulations are anticipated for airport concessionaires in the 3rd quarter of FY2001 and additional Departmental efforts are anticipated to implement these regulations.
- Due to continued minimal staffing, Civil Rights office must be closely monitored to ensure no disruption in service during the construction season. Changes in federal regulations will result in increased reporting, creation of a bidder's list, development of a Unified Certification Program in cooperation with other Alaska recipients of USDOT assistance, additional review of financial statements and the need for increased legal assistance.

Major Component Accomplishments for FY2000

Completed major revisions to and received federal approval of the Alaska DBE program as mandated by USDOT which included:

- Implemented the newly approved DBE program on a statewide basis.
- Established FFY 2001 DBE goals based on DBEs ready, willing and able to work.
- Monitored areas of over-concentration by DBEs to ensure non-DBEs are not adversely impacted.
- Coordinated with other USDOT funding recipients in the State of Alaska to develop a federally mandated Uniform Certification Program.
- Implemented a new appeals procedure to provide due process opportunities to DBE that may no longer qualify for the DBE program.

The Civil Rights Office applied for a \$200,000 annual grant to improve training and employment efforts in rural areas of Alaska on highway and airport projects.

Statutory and Regulatory Authority

- 49 CFR, Parts 21, 23 & 26
- 41 CFR, Part 60
- 23 CFR, Parts 200 & 230
- 29 CFR, Part 16.30
- 28 CFR, Part 35
- Section 504 of the Rehabilitation Act of 1973
- Title VI of the Civil Rights Act of 1964
- Civil Rights Restoration Act of 1987
- Americans with Disabilities Act of 1990

Key Performance Measures for FY2002

Measure: Percentage completion of required contract compliance reviews for responsiveness to ExEEO, DBE and OJT contract requirements.

(Developed jointly with Legislature in FY2001.)

Current Status:

13 reviews have been initiated of which 10 have been completed. The remaining three reviews should be completed by the end of November 2000.

Benchmark:

The Civil Rights Office is annually tasked by FHWA with completing 10 contract compliance reviews.

Background and Strategies:

The ADOT&PF Required Federal Contract Provisions form 25D55 stipulates the need for prime contractors working on USDOT-assisted projects to develop, disseminate and implement equal employment opportunity provisions for the prime contractors workforce and to pass this requirement on to its subcontractors. These requirements are based on federal regulations.

Annually, the Civil Rights Office reviews 10 prime contractors whose cumulatively have the highest dollar values of contractors working on USDOT-assisted projects. The review consist of reviewing the employment policies and strategies of the prime contractor and its subcontractors to ensure the employees are aware of the contractor's EEO policy and where to file complaints if there is a violation of those policies. Certified payrolls are reviewed to verify prime contractors payment reports made to the Civil Right Office. When the Civil Rights Office receives discrimination complaints, these are investigated in conjunction with a compliance review.

Contract compliance also includes reviewing a prime contractor's compliance with 49 CFR Part 26, as implemented through the Department's federally approved DBE Program. This is to ensure the prime contractor provides DBE firms with the opportunities it has committed to as a condition of its contract with the department.

In accordance with 32 CFR Part 230.111, OJT requirements on FHWA projects are also reviewed during a prime contractor's contract compliance review. Larger FHWA-assisted projects have OJT training goals assigned to the prime contractor to meet to ensure training opportunities are made available to minority and female applicants.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The required compliance reviews for responsiveness to disadvantaged business enterprise and on-the-job training contract requirements completed. 		X			

Equal Employment and Civil Rights

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	397.4	511.5	520.5
72000 Travel	10.2	4.4	21.9
73000 Contractual	42.7	41.9	41.9
74000 Supplies	9.3	6.0	18.5
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	459.6	563.8	602.8
Funding Sources:			
1004 General Fund Receipts	285.7	306.5	307.2
1007 Inter-Agency Receipts	16.3	2.0	2.0
1061 Capital Improvement Project Receipts	157.6	255.3	293.6
Funding Totals	459.6	563.8	602.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	16.3	2.0	2.0	2.0	2.0
Capital Improvement Project Receipts	51200	157.6	255.3	255.3	293.6	293.6
Restricted Total		173.9	257.3	257.3	295.6	295.6
Total Estimated Revenues		173.9	257.3	257.3	295.6	295.6

Equal Employment and Civil Rights

Proposed Changes in Levels of Service for FY2002

Change in service planned for FY2002 is limited to transferring DBE and OJT Support Services from Fairbanks to Anchorage to more efficiently provide service to DBEs and prime contractors.

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	306.5	0.0	257.3	563.8
Adjustments which get you to start of year:				
-Add \$30.0 CIP to Implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	30.0	30.0
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.7	0.0	-2.8	-2.1
Proposed budget increases:				
-Add \$11.1CIP to fund increases in Engineers' pay that resulted from a class study across departments	0.0	0.0	11.1	11.1
FY2002 Governor	307.2	0.0	295.6	602.8

Equal Employment and Civil Rights**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	8	9	Annual Salaries	385,381
Part-time	1	0	COLA	5,317
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	142,885
			<i>Less 2.45% Vacancy Factor</i>	(13,083)
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	520,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Engineering Assistant II	1	0	0	0	1
Engineering Assistant III	1	0	0	0	1
Equal Employ Officer II	1	0	0	0	1
Equal Employ Officer III	2	0	0	0	2
Statistical Technician II	1	0	0	0	1
Trans Planner II	1	0	0	0	1
Totals	9	0	0	0	9

BRU/Component: Internal Review

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Robert W. Janes, Chief of Internal Review

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Component Mission

To provide professional audit assistance to Department management to insure compliance with Federal Highway Administration (FHWA) and Federal Aviation Administration (FAA) requirements and to provide independent assessments of Department operations.

Component Services Provided

Internal Review is an independent section within the Department of Transportation and Public Facilities that reports directly to the Commissioner. Internal Review is an extension of the management function that identifies problems and recommends actions that can correct those problems. It provides a measurement of how well the Department is meeting its statutory requirements and achieving its objectives.

The section is responsible for:

- Reviews of operations and identifies control weaknesses, addresses systems improvements, ensures compliance, and makes recommendations for improvement in use of resources (efficiency, economy, and effectiveness).
- Pre-award audit evaluations and final (post performance) audits on firms under contract with the Department to assist in negotiating rates and insuring that only agreed upon rates and charges have been paid.
- Audits performed on utility companies, concessionaires at the State's airports, grantees, and contractor claims involving federal-aid to insure agreed upon rates were used, proper fees collected and that contractor claims were supportable.
- Internal audits on major federal and state programs and assists in special program reviews conducted by the FHWA and FAA.
- Assists the Division of Legislative in the OMB Circular A-133 required Single Audit of Department operations.

Component Goals and Strategies

To determine that Department programs are administered and controlled with maximum effectiveness and efficiency in accordance with existing statutes, regulations, policies and procedures and plans; and that contracts have been awarded and administered in compliance with federal and state laws and regulations.

- Conduct annual audits/reviews of consulting engineering firm's salary and overhead rates
- Conduct annual audits of utility companies to verify rates and charges
- Conduct internal reviews of Department operations to the extent feasible, given operating budget constraints
- Conduct audits of concessionaires at the Fairbanks and the Ted Stevens Anchorage International airports
- Assist the Division of Legislative Audit in the annual state single audit

- Conduct audits of contractor claims as requested

Key Component Issues for FY2001 – 2002

A significant portion of the Internal Review's audit work is performed on specific projects. However, a portion of the audit work and associated operating costs is not eligible to be directly charged to federal programs. The most cost-effective method of meeting audit requirements is to perform the audits in-house. It is important for the Internal Review Section to receive an adequate amount of general funds to continue important audit work not eligible for federal funds.

It is also essential for Internal Review to comply with the federal requirements of A-87. Therefore, Internal Review is shifting from direct charging to indirectly charging projects receiving audit services. This will be accomplished by the budget adjustments submitted for fiscal year 2002 and will bring the section into compliance with federal regulations.

Major Component Accomplishments for FY2000

- Completed 50 consultant engineering overhead rate audits and 25 utility company rate audits to insure rates and other charges under contracts with the Department are supportable and meet federal requirements.
- Worked on several contractor claims and has assisted departmental staff and state attorneys in reducing claims on projects.
- Assisted the Division of Legislative Audit in performance of their annual single audit of the State, which completes the federal single audit requirements.

Statutory and Regulatory Authority

The following Federal and State Regulations and Statutes apply in general to the establishment and operation of the Internal Review Section:

AS 44.17.010, 020, 040 (Dept authority to establish organization and staffing)

AS 36.30.420 (Right to audit records)

AS 35.05.050 (Cooperation with the federal government for construction of public works)

Alaska Procurement Code and the Department Professional Services Agreement (PSA) Manual

Memorandum of Agreement between Alaska DOT/PF and FHWA

CFR Title 23 Part 645 (Accounting standards for utility companies)

CFR Title 48 Part 31 (Contract Cost Principles)

OMB Circular A-133 on the Federal Single Audit

Key Performance Measures for FY2002

Measure: Percentage of requested and completed engineering firm audits and desk reviews in the previous fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

During fiscal year 2000, Internal Review received requests for and completed 50 engineering firm audits or desk reviews. Therefore, Internal Review is on track in addressing this performance measure.

Benchmark:

There is no benchmark for the number of this type of audit to be performed. However, in the prior two years the number of completed audits or desk reviews has ranged from 38 in fiscal year 1999 to 43 in fiscal year 1998. The increase is a reflection of the increase in the federal programs and our ability to address audit requests on a timely basis.

Background and Strategies:

Audits of engineering firms are required to document accounting systems and overhead and salary rates to be used in negotiating professional services contracts with the Department and insure that federal eligibility requirements are met. These audits are generally requested by management during the negotiation process. If audits are not performed on a timely basis it will slow or hinder the approval of contracts which are essential for ongoing project work. Internal Review's strategy is to give these audit requests high priority to insure audit information is provided to management and staff negotiators as quickly as possible after the request for audit is received.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> Number of requested engineering firm audits and desk reviews completed in the previous fiscal year. 		X			

Internal Review

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	530.9	660.5	658.1
72000 Travel	10.4	13.2	29.2
73000 Contractual	26.8	25.5	25.5
74000 Supplies	8.5	26.5	26.5
75000 Equipment	0.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	577.3	725.7	739.3
Funding Sources:			
1003 General Fund Match	74.8	75.2	0.0
1004 General Fund Receipts	43.8	56.6	58.7
1007 Inter-Agency Receipts	10.2	0.0	0.0
1027 International Airport Revenue Fund	62.9	64.5	65.1
1053 Investment Loss Trust Fund	0.0	1.9	0.0
1061 Capital Improvement Project Receipts	385.6	527.5	615.5
Funding Totals	577.3	725.7	739.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Interagency Receipts	51015	10.2	0.0	0.0	0.0	0.0
International Airport Revolving Fund	51055	62.9	64.5	64.5	65.1	65.1
Capital Improvement Project Receipts	51200	385.6	527.5	527.5	615.5	615.5
Investment Loss Trust Fund	51393	0.0	1.9	1.9	0.0	0.0
Restricted Total		458.7	593.9	593.9	680.6	680.6
Total Estimated Revenues		458.7	593.9	593.9	680.6	680.6

Internal Review

Proposed Changes in Levels of Service for FY2002

none

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	133.7	0.0	592.0	725.7
Adjustments which get you to start of year:				
-Add \$16.0 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	16.0	16.0
Adjustments which will continue current level of service:				
-Fund Change to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	-75.2	0.0	75.2	0.0
-Year 2 Labor Costs - Net Change from FY2001	0.2	0.0	-2.6	-2.4
FY2002 Governor	58.7	0.0	680.6	739.3

Internal Review

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	9	9	Annual Salaries	497,546
Part-time	1	1	COLA	7,613
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	171,228
			<i>Less 2.70% Vacancy Factor</i>	(18,287)
			Lump Sum Premium Pay	0
Totals	10	10	Total Personal Services	658,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk I	0	0	1	0	1
Internal Auditor I	0	0	1	0	1
Internal Auditor III	4	1	0	0	5
Internal Auditor IV	1	0	0	0	1
Internal Auditor V	0	0	1	0	1
Statistical Technician I	1	0	0	0	1
Totals	6	1	3	0	10

Administrative Services Budget Request Unit

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BRU Mission

The mission of the Division of Administrative Services is to support the department's operations with quality administration and information technology.

BRU Services Provided

- Provides centralized services in the areas of personnel and payroll, internal equal employment reporting for federal programs, budget, finance, cost allocation plans, collection of federal and other revenue.
- Development of policies and procedures.
- Oversight of the State Equipment Fleet and Highway Working Capital Fund.
- Liaison between DOTPF and the Dept. of Administration for financial, personnel, payroll, and information technology directives.
- Liaison with the Office of Management and Budget and the Legislature relating to budget issues.
- Funds the day-to-day operational support for the department in 85 locations throughout the state.
- Provides and maintains essential information technologies supporting the department's mission.

BRU Goals and Strategies

Provide administrative and technological support that results in the most efficient delivery of department services to the public.

- Balance changes that reduce cost against the risks of errors and the ultimate impact on the public.
- Collect federal reimbursements as soon as possible.
- Reduce department exposure to liability lawsuits and grievances by providing guidance to personnel at the regional level.
- Process payroll in an accurate and cost effective manner.
- Maintain the position classification function in a cost-effective manner in accordance with State of Alaska merit system principles.
- Bill, collect, and post landing fees for rural airports to assure uninterrupted air service to rural communities.
- Audit ferry terminal sales reports and collect credit card generated revenues.
- Plan, implement, and maintain software applications and information technology infrastructure which support statewide department functions.
- Provide and maintain quality local area network, desktop, application support and training.

Key BRU Issues for FY2001 – 2002

The Division will continue to analyze services it provides in an effort to find the most efficient and effective methods of service delivery. Areas currently under review, or in initial stages of implementation include an automated system to streamline timesheet processing, improved financial monitoring of capital projects, improvements to the federal project closure process, and implement a pilot project to pay contractors electronically.

Assistance to division managers continues to be difficult when facing increasing federal construction programs, no increase in administrative staff, increased reliance on contracted services, continually changing technology, changing administrative rules for federal indirect cost participation, and decreasing general fund support.

The Governmental Accounting Standards Board statement No. 34 adopted in June 1999 requires the reporting of infrastructure in the state's annual financial reports. During FY01 decisions need to be made and implementation plans formulated to meet this reporting requirement. Requirement analysis is needed to determine what data and

systems currently exist that can be used to meet these requirements. Finally, a process is needed to be developed for documenting and reporting the costs of infrastructure assets.

The Federal Aviation Administration (FAA) has developed new policies that require 90% of all Airport Improvement (AIP) projects over four years old to be closed or new grant funds will be withheld from the state. Review and improvement of closure processes is necessary not just to assure compliance with FAA, but for prompt closure of all construction projects.

Major BRU Accomplishments for FY2000

- Received no audit findings from the Office of the Inspector General upon completion of their review of department accounting for the AIP funded through FAA.
- Assisted regional project control offices with the closure of 90% of all FAA grants over four years old.
- Successfully incorporated recommended efficiencies into the department's Indirect Cost Allocation Plan for FY01 developed in FY00.
- Converted Alaska Marine Highway System (AMHS) Vessel Employee Leave Accrual processing to AKPAY (State payroll system).
- Successfully tested, converted and upgraded systems and avoided significant difficulties related to Y2K.
- Completed programming of the AMHS Human Resource system to reflect new vessel employee contract changes.
- Completed the migration from Historian to Registrar (tracking program for training).
- Designed and implemented a Taxable Travel System using Pilot Java/Corba Web application (a program that calculates taxable travel per diem).
- Completed a Perl based Web search engine for the T2 (Technology Transfer) Library in Northern Region. The Web applications allow the public to query the T2 Library for documents, videos, etc.
- Assisted in the implementation of the BuySpeed database (an automated procurement system). BuySpeed was installed on users workstations and the program is operational.
- Installed AMHS wireless bridge and server for each vessel providing network communications with the fleet.
- Successfully tested electronic payments to contractors and other large vendors.
- Received high marks and no adverse findings from an intensive special legislative audit on AMHS revenues.
- Implemented and tested new taxable travel compensation system.

Key Performance Measures for FY2002

Measure: Maintain the average time for payment to vendors at 29 days or less.

(Developed jointly with Legislature in FY2001.)

Current Status:

Over the past three years the department has maintained an average of 24 days to pay vendors. Through the first quarter of FY01 the department is continuing to maintain a 24 day average for processing invoices.

Benchmark:

- A. S. 37.05.285 states, "Payment for purchases of goods or services provided a state agency shall be made by a required date that is 30 days after receipt of a proper billing for the amount of the payment due, if a date on which payment is due is not established by contract and if the billing contains or is accompanied by documents required by the contract or purchase order."

Background and Strategies:

During FY00, the department processed an average of 11,178 invoices at \$6,810 per invoice each month. Over that time period the department processed payments within 24 days. The complexities of the invoices being processed vary from basic monthly maintenance contracts to construction related progress payments. The ability to make payments on contracts require appropriate sign-offs by project engineers and managers indicating satisfactory completion of tasks. Additionally, invoices must be approved regarding adequate budgetary authority. Payment delays can be caused by the many hand-offs that occur receiving approvals, mail time between offices, errors in the invoice, errors in account coding, and inadequate funding levels.

The number of administrative staff continues to stay static or be reduced and the volume of accounting activity is increasing due to larger federal programs. Because of this, the department is constantly looking for methods to improve the processing of payments. Peer groups continue to meet to identify areas of improvement such as utility payments.

Recently the department has implemented the use of purchasing cards (P-Card). This allows the purchase of small dollar supply items with a credit card. This reduces the number of warrants issued since only a single warrant is needed for the credit card company. In FY00 4,600 invoices were paid using P-Card. Credit cards are also used for travel related expenditures.

Also, within the past few months the department has begun paying construction contractors through electronic deposit (EDI). So far there are 21 vendors signed up to receive payments through EDI and 48 payments have been processed in the past month using EDI.

Measure: The percentage reduction in payroll calculation errors.

(Developed jointly with Legislature in FY2001.)

Current Status:

The Division has just begun tracking the extent of payroll calculation errors. It is believed that the complexity of many of the labor agreements create processes that are contributing to payroll errors. Because we have not previously collected data regarding the number and type of errors, we cannot identify which processes are causing errors and therefore need to be fixed.

Benchmark:

We are not aware of any state comparisons that are available.

Background and Strategies:

The department has anywhere from 2,700 to 3,200 employees at any given time. These employees are covered by eight different bargaining units, including three marine unions. The complexities involved with calculating payroll are increased even more depending on such factors as which vessel an employee is located and their working status. Time constraints, shortage of staff due to budget reductions, illness or vacations, changing union agreements, and general staff turnover contribute to a potentially high error rate.

The department is always looking at methods to improve the delivery of services. A possible means of reducing errors could be the electronic submission of timesheets, thus increasing the amount of time available for calculation and review. Another possible change is having electronic timesheets that are able to automatically calculate some of the payroll. Both of course will take time and resources to implement.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> Whether the average time for payment to vendors is 29 days or less. The percentage reduction in payroll calculation errors. 		X	X		

Administrative Services
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Statewide Admin Services	1,075.7	0.0	637.4	1,713.1	1,163.7	0.0	629.2	1,792.9	1,166.4	0.0	617.2	1,783.6
Statewide Information Systems	1,520.0	0.0	496.5	2,016.5	1,312.5	50.4	553.1	1,916.0	1,329.4	0.0	623.3	1,952.7
State Equipment	0.0	0.0	1,814.4	1,814.4	0.0	0.0	2,360.8	2,360.8	0.0	0.0	2,356.0	2,356.0
Fleet Admin												
Regional Admin Services	1,458.1	0.0	1,880.7	3,338.8	1,568.8	0.0	1,983.7	3,552.5	1,641.9	0.0	1,957.0	3,598.9
Totals	4,053.8	0.0	4,829.0	8,882.8	4,045.0	50.4	5,526.8	9,622.2	4,137.7	0.0	5,553.5	9,691.2

Administrative Services**Proposed Changes in Levels of Service for FY2002**

None.

Administrative Services**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	4,045.0	50.4	5,526.8	9,622.2
Adjustments which will continue current level of service:				
-Statewide Admin Services	2.7	0.0	-12.0	-9.3
-Statewide Information Systems	16.9	-50.4	49.2	15.7
-State Equipment Fleet Admin	0.0	0.0	-4.8	-4.8
-Regional Admin Services	73.1	0.0	-26.7	46.4
Proposed budget increases:				
-Statewide Information Systems	0.0	0.0	21.0	21.0
FY2002 Governor	4,137.7	0.0	5,553.5	9,691.2

Component: Statewide Administrative Services

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Component Mission

To support the department's operations with quality administration and information technology.

Component Services Provided

This component provides centralized services in the areas of personnel and payroll, internal equal employment reporting for federal programs, budget, finance, cost allocation plans, collection of federal and other revenue, and development of policies and procedures. It also provides the oversight of the Information Systems Section, the Headquarters State Equipment Fleet Offices and the Highway Working Capital Fund.

Acts as liaison between DOT&PF and the Department of Administration for financial, personnel, payroll, and information technology directives, and the Office of Management and Budget and the Legislature relating to budget issues.

Component Goals and Strategies

Provide administrative support that results in the most efficient delivery of department services to the public

- Balance changes that reduce cost against the risks of errors and the ultimate impact on the public.
- Have an indirect cost allocation plan that allows maximum of cost reimbursements from federal programs and allows calculation of total costs of providing various services.
- Collect federal reimbursements as soon as possible.
- Develop policies and procedures that assist in the implementation of state and federal laws and regulations.
- Provide guidance on personnel issues that reduce states exposure to expensive disputes.

Key Component Issues for FY2001 – 2002

The Division will continue to analyze services it provides in an effort to find the most efficient and effective methods of service delivery. Areas currently under review, or in initial stages of implementation include an automated system to streamline timesheet processing, improved financial monitoring of capital projects, improvements to the federal draw-down process, and implement a pilot project to pay contractors electronically.

Assistance to division managers continues to be difficult when facing increasing federal construction programs, no increase in administrative staff, increased reliance on contracted services, continually changing technology, changing administrative rules for federal indirect cost participation, and decreasing general fund support.

The Governmental Accounting Standards Board statement No. 34 adopted in June 1999 requires the reporting of infrastructure in the state's annual financial reports. During FY01 decisions need to be made and implementation plans formulated to meet this reporting requirement. Requirement analysis is needed to determine what data and systems currently exist that can be used to meet these requirements. Finally, a process is needed to be developed for documenting and reporting the costs of infrastructure assets.

The Federal Aviation Administration (FAA) has developed new policies that require 90% of all Airport Improvement (AIP) projects over four years old to be closed or new grant funds will be withheld from the state. Review and improvement of closure processes is necessary not just to assure compliance with FAA, but for prompt closure of all construction projects.

Major Component Accomplishments for FY2000

- Received no audit findings from the Office of the Inspector General upon completion of their review of department accounting for the AIP funded through FAA.
- Assisted regional project control offices with the closure of 90% of all FAA grants over four years old.
- Successfully incorporated recommended efficiencies into the department's Indirect Cost Allocation Plan for FY01 developed in FY00.
- Converted Alaska Marine Highway System (AMHS) Vessel Employee Leave Accrual processing to AKPAY (State payroll system).
- Implemented the Labor Trades and Craft (LTC) classification study.
- Staff served on successful labor contract negotiations.

Statutory and Regulatory Authority

AS 44.42.010-900 State Government
AS 02 Aeronautics
AS 19 Highways and Ferries
AS 35 Public Building, Works and Improvements

Statewide Administrative Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,482.4	1,632.2	1,622.9
72000 Travel	18.4	21.0	21.0
73000 Contractual	172.3	120.1	120.1
74000 Supplies	40.0	19.6	19.6
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,713.1	1,792.9	1,783.6
Funding Sources:			
1004 General Fund Receipts	1,075.7	1,163.7	1,166.4
1026 Highway Working Capital Fund	91.8	94.9	94.7
1027 International Airport Revenue Fund	84.5	87.1	87.5
1061 Capital Improvement Project Receipts	329.6	330.0	332.9
1076 Marine Highway System Fund	131.5	117.2	102.1
Funding Totals	1,713.1	1,792.9	1,783.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Highway Working Capital Fund	51050	91.8	94.9	94.9	94.7	94.7
International Airport Revolving Fund	51055	84.5	87.1	87.1	87.5	87.5
Capital Improvement Project Receipts	51200	329.6	330.0	330.0	332.9	332.9
Marine Highway System Fund	51380	131.5	117.2	117.2	102.1	102.1
Restricted Total		637.4	629.2	629.2	617.2	617.2
Total Estimated Revenues		637.4	629.2	629.2	617.2	617.2

Statewide Administrative Services**Proposed Changes in Levels of Service for FY2002**

None

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,163.7	0.0	629.2	1,792.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	2.7	0.0	-12.0	-9.3
FY2002 Governor	1,166.4	0.0	617.2	1,783.6

Statewide Administrative Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	26	26	Annual Salaries	1,236,763
Part-time	0	0	COLA	22,909
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	447,567
			<i>Less 4.94% Vacancy Factor</i>	(84,339)
			Lump Sum Premium Pay	0
Totals	26	26	Total Personal Services	1,622,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	0	0	3	0	3
Accountant III	0	0	1	0	1
Accountant IV	0	0	3	0	3
Accounting Tech I	0	0	3	0	3
Accounting Tech II	0	0	1	0	1
Accounting Tech III	0	0	2	0	2
Administrative Clerk I	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Division Director	0	0	1	0	1
Human Resources Mgr III	0	0	1	0	1
Labor Rel Specialist II	0	0	1	0	1
Personnel Asst I	0	0	1	0	1
Personnel Officer I	0	0	1	0	1
Personnel Officer II	0	0	1	0	1
Personnel Specialist I	0	0	2	0	2
Program Budget Analyst IV	0	0	2	0	2
Totals	0	0	26	0	26

Component: Statewide Information Systems

Contact: Nancy J. Slagle, Director, Administrative Services

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Component Mission

To support the department's operations with quality administration and information technology.

Component Services Provided

The Information Systems Section provides essential information technologies supporting the department's mission. These include financial systems supporting federal highway and aviation billings; federal compliance reporting in human resources; federal Capital Improvement Project programming and obligation management for both highways and aviation; electronic commerce managing design engineering Requests for Proposal; electronic messaging within the department and with other local, state, and federal government agencies, the general public and the private sector; Internet web services for cost efficient information dissemination and interactive public participation forums on department plans; all major statewide systems support for major system servers and the wide-area-network. Of special importance are the various statewide databases receiving hardware and systems support from this component including: Management Reporting Systems; Project Status Management; Airport Information Management System; BuySpeed Procurement System; Statewide GIS/Mapping System; Marine Vessel Communications System; data base services for ferry reservation system; Employee Training, Licensing, and Qualifications tracking; Requests for Proposal (RFP) Manager; Marine Maintenance Management System; and other mission critical statewide systems such as, payroll analysis in support of ferry crew dispatching.

Component Goals and Strategies

Plan, implement, and maintain software applications and information technology infrastructure which support statewide department functions necessary to the department's mission.

- Maintain support of wide-area-networking in locations such as Alaska, British Columbia, and Washington, that connect to other government agencies in the local, state, federal governments, and partnerships with the general public and private sector.
- Provide quality local area network, desktop, application support and training.
- Manage all systems in a cost-effective way that provides a high level of reliability and disaster recovery capability, recognizing the expensive statewide productivity and revenue losses associated with downtime.
- Maintain high level expertise on current and promising technologies to support the work of all information technology specialists in the department through consulting, strategies, policies, standards, and cost efficiencies.

Key Component Issues for FY2001 – 2002

The State and those entities and individuals it does business with continue to be more technologically reliant. The whole technology industry is changing so rapidly that opportunities for efficiency in the way we do business continue to increase. With the advent of e-commerce and reliance on the web to provide services and information, a greater reliance is placed upon the Information Systems staff to keep up. The amount of work is enormous and the resources are limited. Priorities must be set and some of the department's technological needs and private sector partner expectations will not be met.

Major Component Accomplishments for FY2000

- Successfully incorporated recommended efficiencies into the department's Indirect Cost Allocation Plan (ICAP) and put it in production.
- Established a new Federal Highway Administration (FHWA) billing type for Federal Transit Authority (FTA) projects.
- Successfully tested, converted and upgraded systems and avoided significant difficulties related to Y2K.

- Set up Seniority System for use by Southeast and Northern Regions.
- Converted Alaska Marine Highway System (AMHS) Vessel Employee Leave Accrual processing to AKPAY (State payroll system).-
- Made AMHS Vessel Employee Information System Y2K compliant.
- Completed programming of the AMHS Human Resource system to reflect new vessel employee contract changes.
- Assisted Human Resource staff with the migration from Historian to Registrar (tracking program for training).
- Designed and implemented a Taxable Travel System using Pilot Java/Corba Web application (a program that calculates taxable travel per diem).
- Completed a Perl based Web search engine for the T2 (Technology Transfer) Library in Northern Region. The Web applications allow the public to query the T2 Library for documents, videos, etc.
- Assisted in the implementation of the BuySpeed database (an automated procurement system). BuySpeed was installed on users workstations and the program is operational.
- Assisted in redoing the DOT&PF Rolodex application using Java/CORBA.
- Implemented an AKPAY upload to Oracle of all non-DOT&PF state employees. This table is used to authenticate users of the Equipment Management System (a Statewide Equipment Fleet inventory and financial system).
- Installed AMHS wireless bridge and server for each vessel providing network communications with the fleet.

Statutory and Regulatory Authority

AS 44.42.010-900	Powers and Duties of DOT&PF
AS 02	Aeronautics
AS 19	Highways and Aviation
AS 35	Public Facilities, Works and Improvements
AS 36	Procurement

Statewide Information Systems

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,039.3	1,195.6	1,232.3
72000 Travel	6.2	17.9	17.9
73000 Contractual	913.9	648.2	648.2
74000 Supplies	39.9	41.6	41.6
75000 Equipment	17.2	12.7	12.7
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,016.5	1,916.0	1,952.7
Funding Sources:			
1002 Federal Receipts	0.0	50.4	0.0
1004 General Fund Receipts	1,520.0	1,312.5	1,329.4
1007 Inter-Agency Receipts	146.9	152.1	172.6
1061 Capital Improvement Project Receipts	349.6	393.4	450.7
1076 Marine Highway System Fund	0.0	7.6	0.0
Funding Totals	2,016.5	1,916.0	1,952.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	0.0	50.4	0.0	0.0	0.0
Interagency Receipts	51015	146.9	152.1	152.1	172.6	172.6
Capital Improvement Project Receipts	51200	349.6	393.4	393.4	450.7	450.7
Marine Highway System Fund	51380	0.0	7.6	7.6	0.0	0.0
Restricted Total		496.5	603.5	553.1	623.3	623.3
Total Estimated Revenues		496.5	603.5	553.1	623.3	623.3

Statewide Information Systems

Proposed Changes in Levels of Service for FY2002

No service changes are planned.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,312.5	50.4	553.1	1,916.0
Adjustments which will continue current level of service:				
-Fund Change \$50.4 Fed to CIP to fund positions	0.0	-50.4	50.4	0.0
-Year 2 Labor Costs - Net Change from FY2001	-3.1	0.0	-1.2	-4.3
-Transfer in \$20.0 GF to personal services from Regional Administrative Services RP 25-1-6331	20.0	0.0	0.0	20.0
Proposed budget increases:				
-Add \$21.0 I/A for D&ES project-specific position	0.0	0.0	21.0	21.0
FY2002 Governor	1,329.4	0.0	623.3	1,952.7

Statewide Information Systems

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	16	16	Annual Salaries	933,840
Part-time	0	0	COLA	13,967
Nonpermanent	0	0	Premium Pay	3,494
			Annual Benefits	314,521
			<i>Less 2.65% Vacancy Factor</i>	(33,522)
			Lump Sum Premium Pay	0
Totals	16	16	Total Personal Services	1,232,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Analyst/Programmer IV	1	0	2	0	3
Analyst/Programmer V	0	0	3	0	3
Data Processing Mgr I	0	1	0	0	1
Data Processing Mgr III	0	0	1	0	1
Micro/Network Spec II	1	1	1	0	3
Micro/Network Tech II	1	0	1	0	2
Systems Programmer III	0	0	1	0	1
Totals	3	2	11	0	16

Component: State Equipment Fleet Administration

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Component Mission

The mission of the Statewide State Equipment Fleet (SEF) is to allocate, maintain, and manage state-owned vehicles, equipment, and attachments for safe and appropriate use.

Component Services Provided

- The State Equipment Fleet is responsible for the management, maintenance and inventory of all state vehicles, equipment and attachments assigned to state agencies.
- The regional SEF components provide maintenance, repair and servicing of state equipment at maintenance and operations shops, remote rural airport stations, and roadside locations throughout Alaska. Preventative maintenance, safety and vehicle emission inspections, parts procurement, and inventory control are provided. Equipment is evaluated and specifications are prepared in coordination with SEF Headquarters for the equipment replacement program. New vehicles, equipment and attachments are received, checked in and issued to using agencies.
- State Equipment Fleet manages the Highway Equipment Working Capital Fund (HEWCF), purchases new equipment and vehicles for all state agencies, and provides administrative support including, but not limited to: policies and procedures, financial reporting, computer systems, training, billing of HEWCF charges, and coordination between regional SEF components.
- State Equipment Fleet evaluates excess equipment and sells at auction or assigns to an appropriate alternative use.

Component Goals and Strategies

Effectively manage the Highway Equipment Working Capital Fund to insure sufficient revenues for purchasing and maintenance of equipment and vehicle needs in future fiscal years.

- Maintain sufficient cash flow in the Highway Equipment Working Capital Fund, following Generally Accepted Accounting Principles, for equipment maintenance and replacement.
- Prepare a rate structure that allocates costs fairly and will allow for no financial gain or loss (break even) on operating activities and produce sufficient revenue to cover operating overhead on the replacement, fuel payment and daily rental programs

Provide a well-equipped, cost-effective fleet for all state agencies.

- Coordinate equipment maintenance activity statewide for all SEF personnel, improve preventative maintenance service and reduce costs for state owned assets.
- Measure effectiveness of equipment replacement program by reducing the percentage of "Z" status equipment (eligible for replacement) to no more than 10 percent of the fleet for both the light duty vehicles and heavy-duty equipment.
- Maintain good vendor relations as measured by the number of protests. The goal is to not exceed 1 bid protest annually.

Key Component Issues for FY2001 – 2002

The State Equipment Fleet (SEF) operates 44 shops and has more than 150 employees that provide general and preventative maintenance and all parts supply. There are approximately 7,600 vehicles accounted for in the fleet information system, with 4,800 vehicles comprised of light duty, heavy duty and attachments under SEF management. The Department has under contract a private fleet management consulting firm that is doing a broad review and a detailed performance and productivity evaluation of the delivery of fleet services. By the first of January 2001, an in-

depth status report on the management and maintenance of the State's fleet and prioritized list of changes that need to be made will be available from the contractor.

Major Component Accomplishments for FY2000

- SEF completed a conversion of the Equipment Management System; equipment and software, ensured that all information provided was Y2K compliant without data time loss.
- Continued a review of the equipment management system to ensure an accurate Y2K transition and interface with the vendor community.
- SEF performed all required services during FY2000 while holding operating expenses to within 2.9 percent of revenues.

Statutory and Regulatory Authority

- AS 44.68.210-290
- AS 44.42.020 (11)

State Equipment Fleet Administration

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	703.0	835.4	830.6
72000 Travel	7.0	14.7	14.7
73000 Contractual	58.4	139.0	139.0
74000 Supplies	1,040.3	1,371.7	1,371.7
75000 Equipment	5.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,814.4	2,360.8	2,356.0
Funding Sources:			
1007 Inter-Agency Receipts	0.0	15.3	15.4
1026 Highway Working Capital Fund	1,814.4	2,345.5	2,340.6
Funding Totals	1,814.4	2,360.8	2,356.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	10,933.3	10,714.4	10,714.4	10,714.4	10,714.4
Unrestricted Total		10,933.3	10,714.4	10,714.4	10,714.4	10,714.4
Restricted Revenues						
Interagency Receipts	51015	0.0	15.3	15.3	15.4	15.4
Restricted Total		0.0	15.3	15.3	15.4	15.4
Total Estimated Revenues		10,933.3	10,729.7	10,729.7	10,729.8	10,729.8

State Equipment Fleet Administration**Proposed Changes in Levels of Service for FY2002**

SEF will implement the approved recommendations included in the independent fleet review report due 12/2000. No other significant changes in FY2002. At this time it is unknown what the budgetary changes will be to implement any recommendations.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,360.8	2,360.8
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-4.8	-4.8
FY2002 Governor	0.0	0.0	2,356.0	2,356.0

State Equipment Fleet Administration

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	13	13	Annual Salaries	626,549
Part-time	0	0	COLA	8,409
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	225,018
			<i>Less 3.42% Vacancy Factor</i>	(29,376)
			Lump Sum Premium Pay	0
Totals	13	13	Total Personal Services	830,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accounting Tech II	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Analyst/Programmer V	1	0	0	0	1
Contracting Officer III	1	0	0	0	1
Equip Operations Analyst	3	0	0	0	3
Operations Res Anl I	1	0	0	0	1
Procurement Spec I	1	0	0	0	1
Procurement Spec II	1	0	0	0	1
Statewide Equipment Mgr	1	0	0	0	1
Totals	13	0	0	0	13

Component: Regional Administrative Services

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Component Mission

The mission of this component is to support the department's operations with quality administration in the areas of finance, personnel and payroll.

Component Services Provided

This component funds the day to day operational support for the department in 85 locations throughout the state. It provides support in payroll, personnel, accounts payable, and revenue collection. Functions include, but are not limited to, calculation and payment of payroll, leave accrual and usage tracking and verification, processing of personnel action items, calculation and payment of travel costs, payment of utility, contractor and general vendor invoices, auditing of AMHS sales reports, preparation of the annual AMHS financial report, and processing encumbrances and payments against reimbursable service agreements (RSAs).

Component Goals and Strategies

Provide administrative support that results in the most efficient delivery of department services to the public

- Reduce department exposure to liability lawsuits and grievances by providing guidance to personnel at the regional level
- Process payroll in an accurate and cost effective manner
- Maintain the position classification function in a cost-effective manner in accordance with State of Alaska merit system principles
- Bill, collect, and post landing fees for rural airports to assure uninterrupted air service to rural communities.
- Audit ferry terminal sales reports and collect credit card generated revenues.
- Prompt payment of vendor and contractor billings.
- Provide accounting information to department managers to assist them in efficient program operations.

Key Component Issues for FY2001 – 2002

The Division will continue to analyze services it provides in an effort to find the most efficient and effective methods of service delivery. Areas currently under review, or in initial stages of implementation include streamlining of timesheet processing, improved financial monitoring of capital projects, permit issuance and payment through the internet, and implement a pilot project to pay contractors electronically.

Assistance to division managers continues to be difficult when facing increasing federal construction programs, increased reliance on contracted services, continually changing technology, and changing administrative rules for federal indirect cost participation.

Major Component Accomplishments for FY2000

- Maintained invoice processing days below the state average throughout the year.
- Implemented efficiencies into the department's indirect cost allocation plan.
- Developed and implemented a database for estimating damages to state property.
- Reduced the percentage of accounts deemed uncollectible. In FY00 almost 30% more monies was collected than the original budget estimate.
- Assisted project control offices with the closure of 90% of the Federal Aviation Administration (FAA) grants over four years old.

- Assumed responsibility for the accounts receivable and payable duties of the Division of Measurement Standards and Commercial Vehicle Enforcement.
- Converted to electronic travel authorizations, using on line travel authorization forms and long term travel spreadsheets.
- Successfully tested electronic payments to contractors and other large vendors.
- Received high marks and no adverse findings from an intensive special legislative audit on AMHS revenues.
- Implemented and tested new taxable travel compensation system.

Statutory and Regulatory Authority

AS 44.42.010-900 State Government

AS 02 Aeronautics

AS 19 Highways and Ferries

AS 35 Public Building, Works and Improvements

Regional Administrative Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,117.0	3,330.8	3,377.2
72000 Travel	7.0	5.8	5.8
73000 Contractual	146.9	144.0	144.0
74000 Supplies	64.9	71.9	71.9
75000 Equipment	3.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,338.8	3,552.5	3,598.9
Funding Sources:			
1004 General Fund Receipts	1,334.7	1,386.3	1,486.9
1005 General Fund/Program Receipts	123.4	153.5	155.0
1007 Inter-Agency Receipts	2.4	0.0	0.0
1026 Highway Working Capital Fund	288.0	297.9	296.7
1027 International Airport Revenue Fund	524.6	541.8	539.2
1053 Investment Loss Trust Fund	0.0	29.0	0.0
1061 Capital Improvement Project Receipts	227.3	227.6	231.0
1076 Marine Highway System Fund	830.1	916.4	890.1
1108 Statutory Designated Program Receipts	8.3	0.0	0.0
Funding Totals	3,338.8	3,552.5	3,598.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	2.4	0.0	0.0	0.0	0.0
Highway Working Capital Fund	51050	288.0	297.9	297.9	296.7	296.7
International Airport Revolving Fund	51055	524.6	541.8	541.8	539.2	539.2
General Fund Program Receipts	51060	123.4	153.5	153.5	155.0	155.0
Statutory Designated Program Receipts	51063	8.3	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	227.3	227.6	227.6	231.0	231.0

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Marine Highway System Fund	51380	830.1	916.4	916.4	890.1	890.1
Investment Loss Trust Fund	51393	0.0	29.0	29.0	0.0	0.0
Restricted Total		2,004.1	2,166.2	2,166.2	2,112.0	2,112.0
Total Estimated Revenues		2,004.1	2,166.2	2,166.2	2,112.0	2,112.0

Regional Administrative Services**Proposed Changes in Levels of Service for FY2002**

Transfer of funds is needed to provide full funding of staff and maintain adequate support and services to customers including Maintenance & Operations and associated vendors.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,568.8	0.0	1,983.7	3,552.5
Adjustments which will continue current level of service:				
-Transfer In PCN 25-3187 PFT and \$37.6 GF from Southeast Support Services RP 25-1-6331	37.6	0.0	0.0	37.6
-Transfer Out \$20.0 GF from personal services to Statewide Information Systems RP 25-1-6331	-20.0	0.0	0.0	-20.0
-Transfer \$56.4 GF from Stwd Hwys & Aviation Mtnc Needs for regional administrative support to M&O	56.4	0.0	0.0	56.4
-Year 2 Labor Costs - Net Change from FY2001	-0.9	0.0	-26.7	-27.6
FY2002 Governor	1,641.9	0.0	1,957.0	3,598.9

Regional Administrative Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	67	67	Annual Salaries	2,442,967
Part-time	0	0	COLA	43,495
Nonpermanent	0	0	Premium Pay	45,188
			Annual Benefits	1,005,457
			<i>Less 4.58% Vacancy Factor</i>	(161,907)
			Lump Sum Premium Pay	0
Totals	67	67	Total Personal Services	3,375,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	0	1	1	0	2
Accountant IV	0	0	1	0	1
Accountant V	0	0	1	0	1
Accounting Clerk I	1	1	3	0	5
Accounting Clerk II	3	3	3	0	9
Accounting Spvr I	2	0	1	0	3
Accounting Spvr II	1	0	0	0	1
Accounting Tech I	6	2	4	0	12
Accounting Tech II	4	2	2	0	8
Accounting Tech III	0	1	1	0	2
Administrative Clerk I	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Administrative Clerk III	1	1	2	0	4
Personnel Asst I	1	2	5	0	8
Personnel Asst II	1	1	2	0	4
Personnel Officer I	0	0	1	0	1
Personnel Officer II	1	1	0	0	2
Personnel Specialist I	1	1	0	0	2
Totals	22	16	29	0	67

Regional Support Services Budget Request Unit

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BRU Mission

The mission of the Regional Support Services BRU is to provide leadership and accountability of regional activities and to support regional operations with quality procurement, current information technology and budgetary services.

BRU Services Provided

- Provide management support and budget coordination to all operating divisions in each region, with additional support to regional staff of Headquarters and Statewide divisions and the International Airports.
- The Regional Director's office provides management oversight of all functions of the organization and acts as liaison between divisions and between the department and other agencies and the public.
- The Procurement office is responsible for the purchase and delivery of supplies, equipment and services as well as property control.

BRU Goals and Strategies

Lead the development and maintenance of transportation systems that effectively move people and goods throughout each region.

- Develop consensus within the regional communities regarding transportation needs.
- Prioritize funding requests to optimize the use of public resources.

Continue reliable service with reduced general fund resources.

- Make use of technological changes to generate more efficient operations.
- Continually review operational organization and workflow for enhanced performance.
- Use competition between commodity suppliers to generate cost savings.

Provide effective administration, accurate budgeting, and efficient procurement.

- Provide point of contact for the general public, local government, other agencies, the Commissioner's Office and the Legislature concerning regional operations and policy.
- Support the functions of Maintenance and Operations, Design, Construction, Planning, Technology Transfer, and Research by accurate accounting, analysis and reporting of budget, expenditures and revenue.
- Procure and deliver requested supplies, equipment, and services promptly and in accordance with purchasing laws and regulations by implementing automated Buyspeed purchasing system.

Key BRU Issues for FY2001 – 2002

- To make our procurement process more efficient employees will be able to request goods and services through an Intranet system. This will eliminate the double entry of requests and make for a more prompt and accountable system.
- Improve information gathering and dissemination process to enhance efficiency.
- Continue the transition to Buyspeed for an ultimate increase in procurement efficiency.

Major BRU Accomplishments for FY2000

- Installed, activated, and provided training for Buyspeed Purchasing System to streamline the procurement process and expand on reporting capabilities and to enhance efficiency without loss of oversight.
- Improved budgeting accuracy in and efficiency by transitioning to Alaska Budgeting System (ABS).

- The department is streamlining the procurement process so that goods and services continue to be provided efficiently and according to all state, federal and local guidelines despite reduced budgets. This has resulted in the department transitioning to more efficient computerized systems such as Procurement Cards at some initial cost and loss of productivity, for an ultimate increase in procurement efficiency.
- Implementation of SE Alaska Transportation Plan continued which involves the construction of new roads, ferries, and terminals to enhance transportation in SE Alaska. As part of the plan, developed RFP for the first fast vehicle ferry in Alaska. Created newsletters and a web-site to assure public involvement in the continued implementation of the Plan.
- Completed comprehensive pricing and marketing study of Alaska Marine Highway System. This will serve as a guide to pricing and marketing decisions in the future.
- Implemented vessel communication project, which allows AMHS vessels to have e-mail capabilities and transfer data between ship and shore. This allows improvement in training, safety, financial and management systems aboard the vessels.
- Successfully completed Y2K remediation both on the AMHS vessels and in shoreside facilities. This involved the replacement of 80 computer workstations and upgraded software.

Key Performance Measures for FY2002

Measure: How long it takes to process a purchase request before the order is placed.

(Added by Legislature in FY2001 version.)

Current Status:

The DOT&PF processes about 1,700 purchase requests a month with a total of 6,350 line items. Processing time information is currently being collected for FY 01 through the department's automated procurement system.

Benchmark:

None.

Background and Strategies:

The amount of time it takes to process a purchase order varies widely due to their complexity and required methods of procurement based on the dollar value of the items. The following are statutory factors that impact performance measures in the purchase of commodities and services for the State of Alaska:

- "Reasonable and adequate" competition is required at \$5,000 or less. This involves contacting only one potential offeror in appropriate circumstances.
- At least 3 verbal quotations are required between \$5,000 and \$25,000; but often required in writing for purposes of clarity and conformance to specifications.
- The written Request for Quotation (RFQ) process is required between \$25,000 and \$50,000 which requires issuance of the State's standard terms and conditions, written bid responses from vendors.
- The formal Invitation to Bid (ITB) process is required at \$50,000 and above which includes formulating specifications, advertising the State's requirements in at least 3 publications, allowing 21 days for bid circulation and a ten day protest period prior to award of a contract.

Generally, the time required to accomplish a procurement increases with the monetary value and/or complexity of the particular item being purchased. For this reason, it is difficult to accurately measure and set performance standards with regard to procurement. Additionally the geographic remoteness throughout Alaska affects communication, approval processes, and delivery issues because of inclement weather conditions, vessels that are underway, and changing crews.

The Department procurement offices are collecting data using Buyspeed procurement software. The Department of Transportation and Public Facilities implemented Buyspeed on July 1, 2000, as the standard software for procurement for all regions. The data being collected will be evaluated and may be compared to other industry standards.

The implementation of Buyspeed allows for more efficient processing of stock requests and tracking subsequent purchases. The Procurement section expects to implement Web requisitioning during the next six months. This module of Buyspeed will allow end users with access to the Internet, to place requests via the department's web site.

The implementation of this system will reduce the amount of time it takes for a faxed or mailed copy of a requisition to be received. Additionally, duplicate data entry will be eliminated which will further reduce the average number of days to issue a purchase order. Further efficiencies in processing stock requests will be obtained with monitoring of problem orders and addressing individual issues.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• How long it takes to process a purchase request before the order is placed.		X			

Regional Support Services
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Central Support Svcs	686.2	0.0	91.9	778.1	651.0	0.0	98.0	749.0	700.6	0.0	96.1	796.7
Northern Support Services	759.9	0.0	286.9	1,046.8	723.5	0.0	329.7	1,053.2	778.1	0.0	327.9	1,106.0
Southeast Support Services	411.2	0.0	1,658.3	2,069.5	439.8	0.0	1,713.4	2,153.2	436.0	0.0	1,705.5	2,141.5
Totals	1,857.3	0.0	2,037.1	3,894.4	1,814.3	0.0	2,141.1	3,955.4	1,914.7	0.0	2,129.5	4,044.2

Regional Support Services**Proposed Changes in Levels of Service for FY2002**

None.

Regional Support Services**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,814.3	0.0	2,141.1	3,955.4
Adjustments which will continue current level of service:				
-Central Support Svcs	49.6	0.0	-1.9	47.7
-Northern Support Services	54.6	0.0	-1.8	52.8
-Southeast Support Services	-3.8	0.0	-7.9	-11.7
FY2002 Governor	1,914.7	0.0	2,129.5	4,044.2

Component: Central Region Support Services

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Component Mission

The mission of the Central Region Support Services component is to provide leadership and accountability of all Central Region activities, and to support regional operations with quality procurement and budgetary services.

Component Services Provided

- Central Region Support Services provides administrative leadership, procurement, and budgetary support to all operating divisions in Central Region including Maintenance & Operations, Design and Engineering Services, Construction and CIP Support, and Planning. Additional support is provided to Headquarters units located in Anchorage that include Statewide Aviation, Statewide State Equipment Fleet, Measurement Standards, Equal Employment and Civil Rights, as well as the International Airport System Office and Ted Stevens Anchorage International Airport components. Other offices receiving support are Internal Review, Engineering and Operation's Materials Section, and Information Systems.
- Directs all functions of the organization; provides focal point for coordination between divisions, with outside agencies, and general public.
- Provides technical support for operating budget preparation and management for 18 Central Region and Headquarters Units. Prepares component operating budget.
- Procure equipment, commodities, rentals, leases and service agreements to meet the needs and requirements of operational components. Deliver goods received and maintain inventory of state property.

Component Goals and Strategies

Provide overall leadership, administration, and accountability for Central Region.

- Act as focal point for the general public, local government, other agencies, the Legislature and Commissioner's Office concerning regional operations and policy.

Support the functions of Maintenance and Operations, Design and Engineering Services, Planning, Construction and CIP Support, Measurement Standards, Equal Employment and Civil Rights, Statewide Aviation, and the Ted Stevens Anchorage International Airport.

- Provide accurate fiscal analysis and reporting of budget expenditures and revenue utilizing the new Alaska Budget System.
- Procure and deliver requested supplies, equipment, and other services promptly and in accordance with state purchasing laws and regulations.

Key Component Issues for FY2001 – 2002

- One of the key issues affecting this component are continuing reductions during the budget process. Further reductions will result in erosion of services to Central Region divisions, Ted Stevens Anchorage International Airport, and Headquarters units located in Anchorage.
- Continue to streamline the procurement process so that goods and services continue to be provided efficiently and according to all state, federal and local guidelines despite reduced funding.
- Find ways to improve information gathering and dissemination process to enhance efficiency.
- Transition to Buyspeed at some initial cost and loss of productivity, for an ultimate increase in procurement efficiency.
- During this period of decreased funding the use of technology to enhance efficiency should be studied. Systems that rely on information can benefit from technological solutions.

Major Component Accomplishments for FY2000

- Improved budgeting accuracy and efficiency by transitioning to Alaska Budgeting System (ABS).
- The department is streamlining the procurement process so that goods and services continue to be provided efficiently and according to all state, federal and local guidelines despite reduced budgets. This has resulted in the department transitioning to more efficient computerized systems such as Procurement Cards at some initial cost and loss of productivity, for an ultimate increase in procurement efficiency.
- Implementation of computerized systems has led to efficiencies in the reporting and dissemination of budget and procurement information.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 36 Public Contracts
- AS 37 Public Finance
- AS 44 State Government
- AAC17 Department of Transportation and Public Facilities

Central Region Support Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	668.9	659.8	720.7
72000 Travel	7.0	3.1	3.1
73000 Contractual	65.0	65.0	51.8
74000 Supplies	30.1	21.1	21.1
75000 Equipment	7.1	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	778.1	749.0	796.7
Funding Sources:			
1004 General Fund Receipts	686.2	651.0	700.6
1026 Highway Working Capital Fund	33.3	36.3	35.2
1027 International Airport Revenue Fund	58.6	61.7	60.9
Funding Totals	778.1	749.0	796.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Highway Working Capital Fund	51050	33.3	36.3	36.3	35.2	35.2
International Airport Revolving Fund	51055	58.6	61.7	61.7	60.9	60.9
Restricted Total		91.9	98.0	98.0	96.1	96.1
Total Estimated Revenues		91.9	98.0	98.0	96.1	96.1

Central Region Support Services**Proposed Changes in Levels of Service for FY2002**

To provide adequate support to Highways and Aviation's maintenance efforts that include general administrative services and/or procurement services, \$52.0 in General Funds is transferred into this component from the Statewide Highways and Aviation Maintenance Needs component.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	651.0	0.0	98.0	749.0
Adjustments which will continue current level of service:				
-Transfer \$52.0 GF from Stwd Hwys & Aviation Mtn Needs component to Support M&O Procurement	52.0	0.0	0.0	52.0
-Year 2 Labor Costs - Net Change from FY2001	-2.4	0.0	-1.9	-4.3
FY2002 Governor	700.6	0.0	96.1	796.7

Central Region Support Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	12	12	Annual Salaries	538,020
Part-time	2	2	COLA	9,612
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	202,771
			<i>Less 3.96% Vacancy Factor</i>	(29,703)
			Lump Sum Premium Pay	0
Totals	14	14	Total Personal Services	720,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	3	0	0	0	3
Administrative Clerk III	1	0	0	0	1
Asst Commissioner	1	0	0	0	1
Procurement Spec I	1	0	0	0	1
Procurement Spec II	1	0	0	0	1
Procurement Spec IV	1	0	0	0	1
Program Budget Analyst III	1	0	0	0	1
Secretary	1	0	0	0	1
Stock & Parts Svcs Sub Journey	2	0	0	0	2
Supply Technician II	2	0	0	0	2
Totals	14	0	0	0	14

Component: Northern Region Support Services

Contact: Martin S. Ott, Chief, Planning & Support Services

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Component Mission

The mission of the Northern Region Support Services component is to support the Northern Region's operations with quality administration, efficient procurement, and current information technology.

Component Services Provided

- Regional Support / Administration and Budget provides management support and budget coordination to all operating divisions of Northern Region, with additional support to regional staff of Headquarters and Statewide divisions and the Fairbanks International Airport.
- The Regional Director's office provides management oversight of all functions of the organization and acts as liaison between divisions and between the department and other agencies and the public.
- The Procurement office is responsible for the purchase and delivery of supplies, equipment and services as well as property control.

Component Goals and Strategies

Lead the development and maintenance of transportation systems that effectively move people and goods throughout the region.

- Develop consensus within the communities of Northern and Interior Alaska regarding transportation needs.
 - Prioritize funding requests to optimize the use of public resources.
- Continue reliable service with reduced general fund resources.
- Make use of technological changes to generate more efficient operations.
 - Continually review operational organization and workflow for enhanced performance.
 - Use competition between commodity suppliers to generate cost savings.
- Provide effective administration, accurate budgeting, and efficient procurement.
- Provide point of contact for the general public, local government, other agencies, the Commissioner's Office and the Legislature concerning regional operations and policy.
 - Support the functions of Maintenance and Operations, Design, Construction, Planning, Technology Transfer, and Research by accurate accounting, analysis and reporting of budget, expenditures and revenue.
 - Procure and deliver requested supplies, equipment, and services promptly and in accordance with purchasing laws and regulations by implementing automated Buyspeed purchasing system.

Key Component Issues for FY2001 – 2002

- Streamline procurement process so that goods and services continue to be provided efficiently and according to all state, federal and local guidelines despite reduced funding.
- Improve information gathering and dissemination process to enhance efficiency.
- Transition to Buyspeed at some initial cost and loss of productivity, for an ultimate increase in procurement efficiency.
- During this period of decreased funding the use of technology to enhance efficiency should be studied. Systems that rely on information can benefit from technological solutions.

Major Component Accomplishments for FY2000

- Continued to improve budgeting accuracy and efficiency by transitioning to Alaska Budgeting System (ABS).
- Installed, activated, and provided training for Buyspeed Purchasing System to streamline the procurement process and expand on our reporting capabilities and to enhance our efficiency without loss of oversight.

Statutory and Regulatory Authority

AS 35 Public Bldg & Imp
AS 36 Public Contracts
AS 39 Public Off & Emp
AAC Title 17
AAC Title 12

Northern Region Support Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	836.1	940.4	983.2
72000 Travel	5.6	13.0	13.0
73000 Contractual	129.2	80.1	90.1
74000 Supplies	69.8	19.7	19.7
75000 Equipment	6.1	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,046.8	1,053.2	1,106.0
Funding Sources:			
1004 General Fund Receipts	759.9	723.5	778.1
1007 Inter-Agency Receipts	17.9	3.7	3.7
1026 Highway Working Capital Fund	137.5	142.2	141.3
1027 International Airport Revenue Fund	88.2	91.3	90.6
1061 Capital Improvement Project Receipts	43.3	92.5	92.3
Funding Totals	1,046.8	1,053.2	1,106.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	0.7	0.0	0.0	0.0	0.0
Unrestricted Total		0.7	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	17.9	3.7	57.0	3.7	3.7
Highway Working Capital Fund	51050	137.5	142.2	142.2	141.3	142.2
International Airport Revolving Fund	51055	88.2	91.3	91.3	90.6	91.3
Capital Improvement Project Receipts	51200	43.3	92.5	92.3	92.3	92.5
Restricted Total		286.9	329.7	382.8	327.9	329.7
Total Estimated Revenues		287.6	329.7	382.8	327.9	329.7

Northern Region Support Services

Proposed Changes in Levels of Service for FY2002

A transfer of funds from the Statewide Highways and Aviation Maintenance Needs component will be used to provide adequate support services to Highways and Aviation's maintenance efforts, including general administrative services and/or procurement services.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	723.5	0.0	329.7	1,053.2
Adjustments which will continue current level of service:				
-Transfer \$57.0 GF from Stwd Hwys & Aviation Mtns Needs component for M&O Support	57.0	0.0	0.0	57.0
-Year 2 Labor Costs - Net Change from FY2001	-2.4	0.0	-1.8	-4.2
FY2002 Governor	778.1	0.0	327.9	1,106.0

Northern Region Support Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	16	16	Annual Salaries	693,615
Part-time	0	0	COLA	12,951
Nonpermanent	0	0	Premium Pay	28,992
			Annual Benefits	265,135
			<i>Less 1.75% Vacancy Factor</i>	(17,493)
			Lump Sum Premium Pay	0
Totals	16	16	Total Personal Services	983,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	1	0	0	1
Administrative Clerk II	0	1	0	0	1
Administrative Manager I	0	1	0	0	1
Asst Commissioner	0	1	0	0	1
Micro/Network Tech II	0	1	0	0	1
Procurement Spec I	0	1	0	0	1
Procurement Spec II	0	1	0	0	1
Procurement Spec IV	0	1	0	0	1
Program Budget Analyst III	0	1	0	0	1
Secretary	0	1	0	0	1
Stock & Parts Svcs Journey I	0	1	0	0	1
Stock & Parts Svcs Lead	0	0	0	2	2
Stock & Parts Svcs Sub Journey	0	1	0	0	1
Supply Technician II	0	2	0	0	2
Totals	0	14	0	2	16

Component: Southeast Region Support Services

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Component Mission

The mission of the Southeast Region Support Services component is to provide leadership and accountability of all Southeast Region activities, and to support regional operations with quality procurement and budgetary services.

Component Services Provided

The services provided are diverse and include the following:

The Office of the Regional Director provides overall policy direction and management leadership to the over 1,000 employees in the region. The Regional Director also provides the conduit for local communities and individuals to have input on various transportation issues.

The region's annual operating budget totaling nearly \$100.0 million is prepared in this unit. The budget process is coordinated with direction from the Office of Management and Budget. Inquiries from the legislature, administration, and the public are researched and responded to through this office. Status reports are prepared to provide financial information and guidance to management.

The Capital Improvement Project Control unit maintains the status of the region's capital improvement projects. Federal and state regulations require detailed reports and procedures for tracking and reporting on capital projects. Status books are prepared to provide necessary information to regional and federal project staff.

The Procurement unit purchases and distributes all office supplies, computers, construction materials, maintenance supplies, and non-construction contracts for the SE region and DOT&PF headquarters. Two warehouses are stocked and maintained to provide rapid access to materials needed for the maintenance and operation of highways, harbors, airports, buildings, and AMHS ferries. Mailroom services are provided at three separate buildings.

The computer services unit designs, programs, and maintains various information systems for AMHS and other support services staff. The most complex system is the statewide-automated reservations system that operates in 25 locations throughout the state. This unit also provides desktop support for over 250 desktop computer workstations.

The Management Information unit gathers and analyzes data on AMHS ferry traffic and revenue as well as operating costs, performance measures, and other statistics. The production of several reports, which summarize data, is completed here.

Component Goals and Strategies

Lead the development and maintenance of transportation systems that effectively move people and goods throughout the region.

- Direct the implementation of the SE Alaska Transportation Plan.
- Develop consensus among the citizens of SE Alaska regarding transportation needs.
- Prioritize funding requests to optimize the use of public resources.

Continue reliable service with reduced general fund resources.

- Make use of technological changes to generate more efficient operations.
- Continually review operational organization and workflow for enhanced performance.
- Use competition between commodity suppliers to generate cost savings.

Provide effective administration, accurate budgeting, and efficient procurement.

- Provide point of contact for the general public, local government, other agencies, the Commissioner's Office and the Legislature concerning regional operations and policy.
- Support the functions of Maintenance and Operations, Design, Construction, Planning, Technology Transfer, and Research by accurate accounting, analysis and reporting of budget, expenditures and revenue.
- Procure and deliver requested supplies, equipment, and services promptly and in accordance with purchasing laws and regulations by use of the automated Buyspeed purchasing system.

Key Component Issues for FY2001 – 2002

- The implementation of the SE Alaska Transportation Plan continues to be of paramount importance over the next several years as significant resources will be used to design and construct the infrastructure for improved movement of people and commodities throughout the region. Management and leadership implementing the plan are essential.
- Dwindling state general funds require increased prioritization of maintenance and operations items. The already significant deferred maintenance backlog will continue to grow unless a plan is implemented to curb the backlog. Increased costs and demands on the Alaska Marine Highway System will require additional funding to maintain the level of service the public expects.
- During this period of decreased funding the use of technology to enhance efficiency should be studied. Systems that rely on information can benefit from technological solutions.
- Ferry reservations will be made easier and more convenient during the coming year with the implementation of our Internet reservations project. Once implemented, it will be possible for the public to make and pay for ferry reservations over the Internet.
- To make our procurement process more efficient employees will be able to request goods and services through an Intranet system. This will eliminate the double entry of requests and make for a more prompt and accountable system.

Major Component Accomplishments for FY2000

Implementation of SE Alaska Transportation Plan continued which involves the construction of new roads, ferries, and terminals to enhance transportation in SE Alaska. As part of the plan, developed RFP for the first fast vehicle ferry in Alaska. Created newsletters and a web-site to assure public involvement in the continued implementation of the Plan. Despite a significant increase in the number of federal construction projects, did not increase staff in the project control or other support areas.

Completed comprehensive pricing and marketing study of Alaska Marine Highway System. This will serve as a guide to pricing and marketing decisions in the future.

Implemented vessel communication project which allows AMHS vessels to have e-mail capabilities and transfer data between ship and shore. This allows improvement in training, safety, financial and management systems aboard the vessels.

Successfully completed Y2K remediation both on the AMHS vessels and in shoreside facilities. This involved the replacement of 80 computer workstations and upgraded software.

Statutory and Regulatory Authority

AS 19
AS 44

Southeast Region Support Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,740.4	1,824.1	1,812.4
72000 Travel	11.7	15.0	15.0
73000 Contractual	261.0	261.1	261.1
74000 Supplies	55.9	53.0	53.0
75000 Equipment	0.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,069.5	2,153.2	2,141.5
Funding Sources:			
1004 General Fund Receipts	411.2	439.8	436.0
1026 Highway Working Capital Fund	46.7	47.9	47.9
1061 Capital Improvement Project Receipts	281.5	294.9	297.5
1076 Marine Highway System Fund	1,330.1	1,370.6	1,360.1
Funding Totals	2,069.5	2,153.2	2,141.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Highway Working Capital Fund	51050	46.7	47.9	47.9	47.9	47.9
Capital Improvement Project Receipts	51200	281.5	294.9	294.9	297.5	297.5
Marine Highway System Fund	51380	1,330.1	1,370.6	1,370.6	1,360.1	1,360.1
Restricted Total		1,658.3	1,713.4	1,713.4	1,705.5	1,705.5
Total Estimated Revenues		1,658.3	1,713.4	1,713.4	1,705.5	1,705.5

Southeast Region Support Services**Proposed Changes in Levels of Service for FY2002**

Funding to restore FY01 reductions is transferred from the Statewide Highways and Aviation Maintenance Needs component. This will support highway and aviation maintenance efforts, including general administration and procurement services.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	439.8	0.0	1,713.4	2,153.2
Adjustments which will continue current level of service:				
-Transfer Out PCN 25-3187 PFT and \$37.6 GF Regional Admin Services RP 25-1-6331	-37.6	0.0	0.0	-37.6
-Transfer \$32.0 GF from Stwd Hwys & Aviation Mtnc Needs component for M&O Support	32.0	0.0	0.0	32.0
-Year 2 Labor Costs - Net Change from FY2001	1.8	0.0	-7.9	-6.1
FY2002 Governor	436.0	0.0	1,705.5	2,141.5

Southeast Region Support Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	31	30	Annual Salaries	1,354,131
Part-time	1	1	COLA	22,623
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	506,346
			<i>Less 3.75% Vacancy Factor</i>	(70,700)
			Lump Sum Premium Pay	0
Totals	32	31	Total Personal Services	1,812,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	1	0	1
Accounting Tech III	0	0	1	0	1
Administrative Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager IV	0	0	1	0	1
Analyst/Programmer IV	0	0	2	0	2
Asst Commissioner	0	0	1	0	1
Mail Clerk Carrier II	0	0	1	0	1
Micro/Network Spec I	0	0	2	0	2
Procurement Spec I	0	0	4	1	5
Procurement Spec III	0	0	2	0	2
Procurement Spec V	0	0	1	0	1
Program Budget Analyst III	0	0	2	0	2
Research Analyst II	0	0	1	0	1
Secretary	0	0	1	0	1
Stock & Parts Svcs Lead	0	0	2	0	2
Stock & Parts Svcs Sub Journey	0	0	2	0	2
Supply Technician II	0	0	2	0	2
Trans Planner I	0	0	1	0	1
Totals	0	0	30	1	31

BRU/Component: Statewide Aviation

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Component Mission

Provide statewide coordination between the Department of Transportation and Public Facilities (DOT&PF), the Federal Aviation Administration (FAA) and users regarding aviation safety and capacity improvements, as well as the impact of federal and state aviation regulatory activities affecting Alaskan interests; and coordinate statewide airport leasing efforts.

Component Services Provided

- Coordinate Airport Project Evaluation Board (APEB) process for ensuring that highest priority capital improvement needs at 261 rural state airports are identified, priorities are established and maximum Federal Airport Improvement Program funding is secured to meet the state's rural aviation safety and capacity needs.
- Advocate that aviation safety improvements and regulations are made in a cost efficient manner.
- Serve as the state's primary contact with the FAA regarding aviation regulatory and policy issues affecting Alaska.
- Serve as the state's primary contact with air lines, aviation user groups and aviation organizations that seek to influence national and state aviation policy and legislation.
- Implement airport leasing regulations (Title 17) to ensure legislative changes are incorporated and the concerns of airport users are considered so that fair, reasonable and consistent standards are applied throughout the state airport system.
- Provide comments to FAA on proposed regulations affecting aviation in Alaska.

Component Goals and Strategies

Improve the safety and capacity of the state's aviation system.

- Coordinate with the FAA to minimize the cost of federal aviation regulatory requirements to the state aviation system and its users.
- Improve and operate the state's 261 rural airports in a manner that is efficient, fair, reasonable and consistent by airport users and Alaska residents.

Key Component Issues for FY2001 – 2002

- Airport infrastructure deficiencies continue to be a problem, especially for rural communities solely dependent on aviation as their only means of access. The Division continues to advocate for adequate federal funding to address these deficiencies. Recent Airport Improvement Program legislation has increased the national level of AIP funding available for airport improvements and the department's spending plans for airport improvements have been adjusted accordingly.
- Airport safety continues to be a critical issue throughout the state. The implementation of efforts to coordinate airport infrastructure development with improved navigation, communications and weather reporting will require extensive involvement by the Division over the next several years. Efforts are also being made to expand the Western Alaska CAPSTONE Aviation Safety demonstration project statewide, with Southeast Alaska as the next geographic application area.
- Compliance with federal regulations regarding certification and security must be continually monitored at 24 certified airports. Failure to follow these regulations can result in substantial fines and related non-compliance problems with FAA. It is important the Division continue to assist department field personnel in understanding and complying with the federal regulations.
- Airport tenants have the right to expect uniform procedures to be applied statewide in the processing of applications and enforcement of leases. What has been an ongoing revision to the Title 17 airport leasing regulations will require

coordination efforts with the department's regional leasing sections to ensure the regulations are consistently interpreted and applied throughout the state's three regional airport leasing offices.

- The FAA continues to promote discontinuance of and/or reduction in lease payments to the state for the costs of maintaining certain FAA facilities on airports. Statewide Aviation will continue to work toward maintaining historic lease arrangements.

Major Component Accomplishments for FY2000

- Established priorities for the state's aviation improvement needs. In FY'00 secured approximately \$74.1million in federal funding for high priority improvements to state DOT&PF airports.
- Title 17 regulations governing leasing activities on state airports have been under revision for several years. The re-drafted regulations are near ready for Commissioner and Lt. Governor consideration and adoption.
- Worked with the FAA and aviation users to complete Phase I implementation of the federally funded Capstone project at Bethel and surrounding Yukon-Kuskokwim Delta area. This is a multiyear effort to improve aviation safety in western Alaska by installing navigation, communication and weather reporting equipment. Phase II will be an expansion to SE Alaska.
- The Airport Information Management System (AIMS) is complete and residing on the state's intra-net system and is available in limited form on the Internet. AIMS is a program that provides an internet-accessible, DOT&PF-wide airport data bank management tool that will enable single point access to Geographic Information Systems (GIS), construction project scope & status, and airport specific information (airport layout plan, aerial photo, staffing, emergency numbers, leases, etc).

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 19 Highways
- AS 44 State Government
- AAC 17 DOT&PF
- Federal Highway Program Manual
- Executive Order 39
- Title 14 CFR
- Title 23 CFR
- Title 23 US Code
- Title 25 CFR, BIA

Statewide Aviation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	517.6	579.6	580.9
72000 Travel	22.5	21.3	21.3
73000 Contractual	87.0	69.7	69.7
74000 Supplies	15.0	5.7	5.7
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	642.1	676.3	677.6
Funding Sources:			
1004 General Fund Receipts	190.9	191.2	195.8
1005 General Fund/Program Receipts	217.9	253.2	255.8
1007 Inter-Agency Receipts	17.2	0.0	0.0
1027 International Airport Revenue Fund	14.5	16.1	16.2
1053 Investment Loss Trust Fund	0.0	9.5	0.0
1061 Capital Improvement Project Receipts	201.6	206.3	209.8
Funding Totals	642.1	676.3	677.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Interagency Receipts	51015	17.2	0.0	0.0	0.0	0.0
International Airport Revolving Fund	51055	14.5	16.1	16.1	16.2	16.2
General Fund Program Receipts	51060	217.9	253.2	253.2	255.8	255.8
Capital Improvement Project Receipts	51200	201.6	206.3	206.3	209.8	209.8
Investment Loss Trust Fund	51393	0.0	9.5	9.5	0.0	0.0
Restricted Total		451.2	485.1	485.1	481.8	481.8
Total Estimated Revenues		451.2	485.1	485.1	481.8	481.8

Statewide Aviation

Proposed Changes in Levels of Service for FY2002

No changes in level of service are anticipated for FY2002. Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	453.9	0.0	222.4	676.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-2.3	0.0	0.1	-2.2
Proposed budget increases:				
-Add \$3.5 CIP to fund increases in Engineers' pay that resulted from a class study across departments	0.0	0.0	3.5	3.5
FY2002 Governor	451.6	0.0	226.0	677.6

Statewide Aviation

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	7	7	Annual Salaries	438,699
Part-time	0	0	COLA	6,803
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	147,058
			<i>Less 1.97% Vacancy Factor</i>	(11,660)
			Lump Sum Premium Pay	0
Totals	7	7	Total Personal Services	580,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Division Director	1	0	0	0	1
Leasing Officer I	1	0	0	0	1
Leasing Officer IV	1	0	0	0	1
Planner III	1	0	0	0	1
Regnl Saf&Arpt Sec Off	1	0	0	0	1
Secretary	1	0	0	0	1
Tech Eng I / Architect I	1	0	0	0	1
Totals	7	0	0	0	7

Planning Budget Request Unit

Contact: Tom Brigham, Director

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BRU Mission

The mission of Planning is to optimize state investment in transportation and meet federal requirements through effective planning and programming.

BRU Services Provided

- · Develop area-specific transportation plans to guide transportation infrastructure development over the next 20 years.
- · Coordinate the development, submission, and monitoring of the Needs List, and the federally required Statewide Transportation Improvement Program, as well as the annual capital budget. Provides key analyses to the Commissioner on critical issues regarding capital funding for Alaska's transportation and public facility needs.
- · Verify enplanement data used to determine the State's allocation of Federal Aviation Administration (FAA) funding, prepare airport master plans, and annually prepare the program for aviation improvements.
- · Provide federally required highway data collection and analysis to state, federal and local agencies.
- · Provide Geographic Information System (GIS) and Global Positioning System (GPS) data collection and analysis, as well as cartographic and other technical services. The result will be more accessible transportation data that can be displayed in easy-to-understand ways.
- · Develop and maintain the Statewide Transportation Plan, Public Involvement Plan, and Federal Transit Program.
- · Provide administration of Scenic Byways Program, Federal Railroad Administration grants. Provide support to the TRAAK Program. Develop and maintain Bicycle and Pedestrian Plan.
- · Provide administration of Urban Planning, and State Planning and Research Program, as well as general accounting and administrative support.
- · Develop and administer the State Highway Safety Program.

BRU Goals and Strategies

Maintain cooperative planning processes with local governments, state and federal agencies, and within DOT&PF.

- · Provide the legislature, local governments, other agencies and private citizens with a central point of contact to facilitate the exchange of planning and capital project related information with the department
- · Coordinate access to the DOT&PF decision-making process with these groups;

Meet requirements of the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) and maximize the state's capture of federal funds each year.

- · Collect traffic and highway inventory data.
- · Coordinate transportation information and planning with local governments.
- · Implement public involvement procedures.
- · Develop the Statewide Transportation Plan (SwTP).
- · Develop the Statewide Transportation Improvement Program (STIP).

Meet requirements of the Federal Aviation Administration (FAA) that make Alaska eligible to receive over \$50 million annually for airport development in Alaska.

- · Verify enplanement data used to determine the State's allocation of FAA funding.
- · Prepare airport master plans.
- · Annually prepare the aviation improvements program.

Provide effective transportation and public facilities construction and maintenance programs.

- · Prepare a capital improvement program to address improvement needs for roadways, ports and harbors, erosion control, pathways, barrier-free access, marine highway system, and other public facilities.

Promote saving lives and reducing motor vehicle injuries on the Alaska highway network.

- · Produce annual highway safety plan and annual report.
- · Promote statewide outreach and education programs.
- · Promote new safety technology.
- · Integrate public health strategies into community safety programs.

Key BRU Issues for FY2001 – 2002

- · Passage of the 1991 and 1998 Federal Transportation Bills, Federal Transportation Equity Act for the 21st Century (TEA21), expanded the requirements to inform and involve the public in development of transportation plans and programs. As a result, the statewide and regional planning staff institute a greatly expanded public involvement program that includes holding multiple meetings throughout the region and other communications with local government and the general public. Planning staff then evaluate and rank all projects to identify the highest priority projects that are to compete statewide for federal highway funding. The new Federal Transportation legislation is expected to continue to significantly increase federal funding for transportation in Alaska.
- · The Federal Aviation Administration has instituted a process called the Airport Capital Improvement Program which is designed to distribute Airport Improvement Program funds based upon priority and need. As part of the process, the regional planning staff must prepare a five-year aviation capital improvement program for each airport including the identification of planning, environmental, land and development needs. This activity requires the regional planning staff to conduct joint planning conferences at various airports throughout the region.
- · The Division of Statewide Planning will be completing work on three long range transportation plans for Southwest Alaska, the Yukon-Kuskokwim Delta area, and the Prince William Sound/Cooper River area. Work has begun on the Northwest Area Plan. These plans develop the 20-year transportation investment strategies for road, ferry, rail and air modes utilizing extensive local public involvement.
- · The Alaska Highway Safety Office identified major driver behavioral problem areas as the following categories: high-risk youth and young drivers; major urban areas with communities that have become recreational destinations; and the Municipality of Anchorage traffic congestion. Lack of child car seat and seatbelt usage continues to be an issue.

Major BRU Accomplishments for FY2000

- · Completed the Statewide Transportation Long Range Plan (SwTP), 20 year horizon
- · Prepared multiyear, federally required, Statewide Transportation Improvement Program (STIP)
- · Completed the development of the Southeast Transportation Plan
- · Initiated regional transportation plans for Prince William Sound/Cooper River, Yukon-Kuskokwim Delta, Southwest Alaska, and Northwest Alaska.
- · Established structure for Alaska Transportation Infrastructure Bank.
- · Began creation of Department Geographic Information System.
- · Received a commendation from Federal Highway Administration for Highway for Highway Performance Management System data submittal.
- · Increased seatbelt usage and traffic enforcement statewide through safety education programs.

Key Performance Measures for FY2002

Measure: The percentage of airports that have a Federal Aviation Administration approved airport layout plan.

(Revised from Legislature's FY2001 version.)

Current Status:

Northern Region has 96% of their airport layout plans approved (98 out of 102). Central Region has 70% of their airports or 81 of 115 airports have FAA approved airport layout plans. Southeast Region has airport layout plans for all their airports.

Benchmark:

None that is known.

Background and Strategies:

Airport layout plans (ALPs) are the drawings that depict existing conditions and the ultimate development that is planned at an airport; they are a graphic equivalent of the master plan. As such, ALPs also require regular updates, and we endeavor to bring them up to date as needed to reflect changes in existing conditions. (Updated ALPs are required for AIP grants and grant closeouts.)

Measure: The dollar value of projects that are constructed as a percentage of the value of projects in the Needs List.

(Revised from Legislature's FY2001 version.)

Current Status:

Regularly around \$500 million is constructed or 6.6% of an approximate \$7.5 billion needs list.

Benchmark:

No other State relies as heavily on federal funds to meet transportation needs within the state.

Background and Strategies:

This is a measure of Alaska's ability to satisfy transportation needs as defined by the state, borough, and local communities. Improvement of our ability to construct a larger fraction of the current need will be dependent upon identification of additional state or federal transportation funding.

Measure: The percentage of required federal planning, programming, and data collection tasks completed and accepted by the United States Department of Transportation on a federal fiscal year basis.

(Developed jointly with Legislature in FY2001.)

Current Status:

The Department is in compliance and has no record of ever causing the state to lose federal funds due to a failure to meeting planning, programming or other transportation data collection requirements.

Benchmark:

All state Departments of Transportation using Federal Highway funds must fulfill planning, programming and data collection requirements or risk losing these vital transportation funds.

Background and Strategies:

Statewide Planning annually reports a wide variety of condition and performance data about the public road network in Alaska to the US DOT. These federally mandated and funded efforts identify such data as length of the highway network by functional class, ownership, lane count, pavement type, servability and roughness. Traffic volumes are reported as daily traffic count, annual traffic count, and further categorized by 13 different vehicle classifications. The Division also reports accidents by type, fatalities, minor or major injury, location and contributing factors. Geographic coordinates of the highway system are reported for national mapping purposes. They also report such information as quantity and source of all public monies used in maintaining, reconstructing or constructing public highways.

Measure: The legislature intends to measure the success of the agency in achieving its mission by considering the number of serious injury and fatal motor vehicle crashes in Alaska.

(Revised from Legislature's FY2001 version.)

Current Status:

The Alaska Highway Safety Office is charged with reducing injuries and saving lives on Alaska's highways. In 1999, there were 417 serious injury and fatal motor vehicle crashes in the state.

Benchmark:

A benchmark year was established in 1994. The number of serious injury and fatal motor vehicle crashes for that year was 468.

Background and Strategies:

The Alaska Highway Safety Office coordinates highway safety programming focused on public outreach and education; enforcement; promotion of new safety technology; integration of public health strategies; collaboration with safety and private sector organizations; and cooperation with state and local governments.

Historically, the most frequently cited behavioral contributors to fatal and serious injury crashes in Alaska are impaired driving, unsafe speed, and failure to heed traffic control devices. In 1998 this trend was continued with the occurrence of 71 fatal and 346 serious injury crashes. In order to reduce these numbers, the agency approaches the issue through statewide outreach programs and federally funded highway safety grant projects. Motor vehicle laws which contribute to reducing the number of serious injury or fatal motor vehicle crashes in Alaska, such as blood alcohol content, and the number of troopers employed to enforce these laws are beyond the control of this program.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The percentage of airport development master plans that are completed and airport layout plans that are adopted by region. 					X
<ul style="list-style-type: none"> The number of planned projects that are implemented as a percentage of the number proposed. 					X
<ul style="list-style-type: none"> The percentage of required federal planning, programming, and data collection completed and accepted by the United States Department of Transportation on a federal fiscal year basis. 		X			
<ul style="list-style-type: none"> The number of highway deaths per year. 					X

Planning

BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Statewide Planning	96.3	0.0	2,239.3	2,335.6	105.8	0.0	2,615.6	2,721.4	105.4	0.0	2,687.3	2,792.7
Central Region Planning	126.4	0.0	948.3	1,074.7	128.0	0.0	1,080.7	1,208.7	128.7	0.0	1,077.0	1,205.7
Northern Region Planning	86.2	0.0	897.4	983.6	86.7	0.0	1,097.5	1,184.2	86.9	0.0	1,096.5	1,183.4
Southeast Region Planning	21.7	0.0	571.1	592.8	21.7	0.0	603.6	625.3	21.7	0.0	604.1	625.8
Totals	330.6	0.0	4,656.1	4,986.7	342.2	0.0	5,397.4	5,739.6	342.7	0.0	5,464.9	5,807.6

Planning

Proposed Changes in Levels of Service for FY2002

None

Planning

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	342.2	0.0	5,397.4	5,739.6
Adjustments which will continue current level of service:				
-Statewide Planning	-0.4	0.0	-17.5	-17.9
-Central Region Planning	0.7	0.0	-3.7	-3.0
-Northern Region Planning	0.2	0.0	-1.0	-0.8
-Southeast Region Planning	0.0	0.0	0.5	0.5
Proposed budget increases:				
-Statewide Planning	0.0	0.0	89.2	89.2
FY2002 Governor	342.7	0.0	5,464.9	5,807.6

Component: Statewide Planning

Contact: Tom Brigham, Director

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Component Mission

The mission of Statewide Planning is to optimize state investment in transportation and meet federal requirements through effective planning and programming.

Component Services Provided

- · Develop area-specific transportation plans to guide transportation infrastructure development over the next 20 years.
- · Coordinate the development, submission, and monitoring of the Needs List, and the federally required Statewide Transportation Improvement Program, as well as the annual capital budget. Provides key analyses to the Commissioner on critical issues regarding capital funding for Alaska's transportation and public facility needs.
- · Provide federally required highway data collection and analysis to state, federal and local agencies.
- · Provide Geographic Information System (GIS) and Global Positioning System (GPS) data collection and analysis, as well as cartographic and other technical services. The result will be more accessible transportation data that can be displayed in easy-to-understand ways.
- · Develop and maintain the Statewide Transportation Plan, Public Involvement Plan, and Federal Transit Program.
- · Provide administration of Scenic Byways Program, Federal Railroad Administration grants. Provide support to the TRAAK Program. Develop and maintain Bicycle and Pedestrian Plan.
- · Provide administration of Urban Planning, and State Planning and Research Program, as well as general accounting and administrative support.
- · Develop and administer the State Highway Safety Program.

Component Goals and Strategies

Maintain cooperative planning processes with local governments, state and federal agencies, and within DOT&PF.

- · Provide the legislature, local governments, other agencies and private citizens with a central point of contact to facilitate the exchange of planning and capital project related information with the department
- · Coordinate access to the DOT&PF decision-making process with these groups;

Meet requirements of the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) and maximize the state's capture of federal funds each year.

- · Collect traffic and highway inventory data.
- · Coordinate transportation information and planning with local governments.
- · Implement public involvement procedures.
- · Develop the Statewide Transportation Plan (SwTP).
- · Develop the Statewide Transportation Improvement Program (STIP).

Provide effective transportation and public facilities construction and maintenance programs.

- · Prepare a capital improvement program to address improvement needs for roadways, ports and harbors, erosion control, pathways, barrier-free access, marine highway system, and other public facilities.

Promote saving lives and reducing motor vehicle injuries on the Alaska highway network.

- · Produce annual highway safety plan and annual report.
- · Promote statewide outreach and education programs.
- · Promote new safety technology.
- · Integrate public health strategies into community safety programs.

Key Component Issues for FY2001 – 2002

- · Passage of the 1991 and 1998 Federal Transportation Bills, Federal Transportation Equity Act for the 21st Century (TEA21), expanded the requirements to inform and involve the public in development of transportation plans and programs. As a result, the statewide and regional planning staff institute a greatly expanded public involvement program that includes holding multiple meetings throughout the region and other communications with local government and the general public. Planning staff then evaluate and rank all projects to identify the highest priority projects that are to compete statewide for federal highway funding. The new Federal Transportation legislation is expected to continue to significantly increase federal funding for transportation in Alaska.
- · Annual general fund levels have decreased to the point that activities and program areas not directly supported by planning grants received from the Federal Highway Administration (FHWA) or the Federal Aviation Administration (FAA) will have to be deferred. Included in this category is work associated with erosion control, ports and harbors.
- · Sampling requirements for FHWA data collection have increased. The department has been able to accomplish some savings through installation of automated traffic recorders. Installation of new equipment has been accomplished under "one-time" capital projects. As the national highway system matures, these recorders will need routine maintenance and replacement.
- · The State's ports and harbors represent a significant financial investment and are an important element in the continued health of the commercial and recreational fishing industries. Unlike Alaska's federal-aid highways and airports, port and harbor facilities do not have an annual source of state-administered capital funding.
- · The Division of Statewide Planning will be completing work on three long range transportation plans for Southwest Alaska, the Yukon-Kuskokwim Delta area, and the Prince William Sound/Cooper River area. Work will be started on the Northwest Area Plan in 2000. These plans develop the 20-year transportation investment strategies for road, ferry, rail and air modes utilizing extensive local public involvement.
- · The Alaska Highway Safety Office identified major driver behavioral problem areas as the following categories: high-risk youth and young drivers; major urban areas with communities that have become recreational destinations; and the Municipality of Anchorage traffic congestion. Lack of child car seat and seat belt usage continues to be an issue.

Major Component Accomplishments for FY2000

- Completed the Statewide Transportation Long Range Plan (SwTP), 20 year horizon
- · Prepared multiyear, federally required, Statewide Transportation Improvement Program (STIP)
 - · Completed the development of the Southeast Transportation Plan
 - · Initiated regional transportation plans for Prince William Sound/Cooper River, Yukon-Kuskokwim Delta, Southwest Alaska, and Northwest Alaska.
 - · Established structure for Alaska Transportation Infrastructure Bank
 - · Began creation of Department Geographic Information System.
 - · Received a commendation from Federal Highway Administration for Highway Performance Management System data submittal.
 - · Increased seatbelt usage and traffic enforcement statewide through safety education programs.

Statutory and Regulatory Authority

AS 19.10.020; 110-160
AS 44.42
AS 44.99.001
AS 44.41.021
Title 23, Sec. 420 CFR
Federal Aid Policy Guide - Parts 420 through 490 & 511
Title 23, Sec. 307c, U.S. Code

Title 23, Chapter 4, U.S. Code

Statewide Planning

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,265.2	2,667.7	2,739.0
72000 Travel	0.1	5.3	1.3
73000 Contractual	54.6	32.0	36.0
74000 Supplies	13.1	16.4	16.4
75000 Equipment	2.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,335.6	2,721.4	2,792.7
Funding Sources:			
1004 General Fund Receipts	96.3	105.8	105.4
1007 Inter-Agency Receipts	0.7	17.4	0.0
1027 International Airport Revenue Fund	17.5	17.5	17.5
1061 Capital Improvement Project Receipts	2,221.1	2,580.7	2,669.8
Funding Totals	2,335.6	2,721.4	2,792.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	0.7	17.4	17.4	0.0	0.0
International Airport Revolving Fund	51055	17.5	17.5	17.5	17.5	17.5
Capital Improvement Project Receipts	51200	2,221.1	2,580.7	2,580.7	2,669.8	2,669.8
Restricted Total		2,239.3	2,615.6	2,615.6	2,687.3	2,687.3
Total Estimated Revenues		2,239.3	2,615.6	2,615.6	2,687.3	2,687.3

Statewide Planning

Proposed Changes in Levels of Service for FY2002

None

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	105.8	0.0	2,615.6	2,721.4
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.4	0.0	-17.5	-17.9
Proposed budget increases:				
-Add \$43.4 CIP and change 1 NP to PFT Statistical Tech for accident data collection	0.0	0.0	43.4	43.4
-Add \$45.8 CIP and change 1 NP to PFT Research Analyst I for GIS/Mapping activities	0.0	0.0	45.8	45.8
FY2002 Governor	105.4	0.0	2,687.3	2,792.7

Statewide Planning

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	39	41	Annual Salaries	2,102,834
Part-time	0	0	COLA	31,675
Nonpermanent	2	0	Premium Pay	29,819
			Annual Benefits	747,919
			<i>Less 5.95% Vacancy Factor</i>	(173,247)
			Lump Sum Premium Pay	0
Totals	41	41	Total Personal Services	2,739,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager II	0	0	1	0	1
Administrator,Hwy SPA	0	0	1	0	1
Analyst/Programmer III	0	0	2	0	2
Analyst/Programmer IV	0	0	2	0	2
Division Director	0	0	1	0	1
Operations Res Anl I	0	0	1	0	1
Planner II	0	0	1	0	1
Planner III	0	0	12	0	12
Project Asst	0	0	2	0	2
Research Analyst I	0	0	1	0	1
Research Analyst II	0	0	1	0	1
Research Analyst III	0	0	2	0	2
Statistical Technician I	0	0	2	0	2
Statistical Technician II	0	0	2	0	2
Trans Planner I	0	0	3	0	3
Trans Planner II	0	0	2	0	2
Trans Planner III	0	0	1	0	1
Totals	0	0	41	0	41

Component: Central Region Planning

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Component Mission

The mission of Central Region Planning is to contribute to the development of the Statewide Transportation Improvement Program (STIP), the Statewide Transportation Plan, and regional plans through a public process that results in orderly project and capital budget sequencing, and to conduct highway data collection.

Component Services Provided

- Establishing and maintaining cooperative planning processes with the Division of Design and Engineering Services, Maintenance and Operations, other state and federal agencies, and local governments. This includes providing legislators, local governments, other agencies and private citizens with a central point of contact to facilitate the exchange of information with the department and to allow these groups access to the Department of Transportation and Public Facilities decision-making process;
- Meeting requirements of the Federal Highway Administration (FHWA) that make Alaska eligible to over \$400 million each year. These requirements include collection of traffic and highway inventory data, coordination with local governments, implementation of public involvement procedures, and development of a STIP for FHWA funds;
- Meeting requirements of the Federal Aviation Administration (FAA) that make Alaska eligible to receive over \$120 million annually for airport development in Alaska. These requirements include verification of enplanement data used to determine the State's allocation of FAA funding, the preparation of airport master plans, and the annual preparation of the program for aviation improvements;
- Preparing a capital improvement program to address improvement needs for roadways, ports and harbors, erosion control, pathways, barrier-free access, and other public facilities.

Component Goals and Strategies

Involve the public in the identification and evaluation of transportation needs, plans, and programs

- Conduct public meetings to share information on transportation needs. Develop transportation plans and programs that meet federal requirements for financial assistance.
- Coordinate transportation information and planning with local governments.
- Implement public involvement procedures.
- Integrate the planning process with the annual capital budget development. Meet requirements of the FHWA, Federal Transit Administration (FTA), and FAA that make Alaska eligible to receive transportation funding.
- Collect highway data and prepare required reports.

Key Component Issues for FY2001 – 2002

- Implementation of the new Federal Transportation Equity Act for the 21st Century (TEA 21). Passage of the 1991 and 1998 Federal Transportation Bills expanded the requirements to inform and involve the public in development of transportation plans and programs. As a result, the area planning staff instituted a greatly expanded public involvement program including holding multiple meetings throughout the region and other communications with the local government and the general public. Planning staff then evaluates and ranks all projects to identify the highest priority projects that are to compete statewide for federal highway funding. The new TEA 21 significantly increases federal funding for transportation in Alaska.
- The Federal Aviation Administration has instituted a process called the Airport Capital Improvement Program (ACIP) which is designed to distribute Airport Improvement Program funds based upon priority and need. The Department's own Aviation Project Evaluation Board (APEB) process has been expanded to place a greater emphasis on public involvement and project prioritization in order to provide the ACIP with the information it

requires. Regional planning staff must prepare extensive planning level background information for each proposed aviation project. This activity requires a greater level of interaction between regional planning staff, other DOT&PF functional groups, other state and federal agencies, local governments and the public.

- Annual general fund levels have decreased to the point that activities and program areas not directly supported by planning grants received from the FHWA or the FAA will have to be deferred. Included in this category is work associated with erosion control, and ports and harbors.
- Sampling requirements for FHWA data collection have increased. Staff has been able to accomplish some savings through installation of automated traffic recorders. Installations have been accomplished under "one-time" capital projects. As the national highway system matures, these recorders will need routine maintenance and replacement.
- The state's ports and harbors represent a significant financial investment and are an important element in the continued health of the commercial and recreational fishing industries. Unlike Alaska's federal-aid highways and airports, port and harbor facilities do not have an annual source of state-administered capital funding.

Major Component Accomplishments for FY2000

- Completed FFY2001-2003 Statewide Transportation Improvement Program.
- Maintained 10 cooperative planning processes with local governments.
- Initiated 6 and completed 7 airport master plans.
- Reviewed 55 other government agency plans.
- Reviewed 590 subdivision plats and zoning reviews for local governments.
- Prepared traffic forecasts and design designations for 35 highway construction projects.
- Processed all information needed for the annual submission of the Highway Performance Monitoring System (HPMS).
- Prepared and distributed the Annual Traffic Volume Report and Annual Average Daily Traffic (AADT) map series.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 36 Public Contracts
- AS 37 Public Finance
- AS 44 State Government
- AAC 17 Department of Transportation and Public Facilities

Central Region Planning

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	998.5	1,147.5	1,144.5
72000 Travel	1.7	7.4	7.4
73000 Contractual	39.0	40.0	40.0
74000 Supplies	23.7	13.8	13.8
75000 Equipment	11.8	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,074.7	1,208.7	1,205.7
Funding Sources:			
1004 General Fund Receipts	126.4	128.0	128.7
1061 Capital Improvement Project Receipts	948.3	1,080.7	1,077.0
Funding Totals	1,074.7	1,208.7	1,205.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Capital Improvement Project Receipts	51200	948.3	1,080.7	1,080.7	1,077.0	1,077.0
Restricted Total		948.3	1,080.7	1,080.7	1,077.0	1,077.0
Total Estimated Revenues		948.3	1,080.7	1,080.7	1,077.0	1,077.0

Central Region Planning

Proposed Changes in Levels of Service for FY2002

No change in level of service for FY2002.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	128.0	0.0	1,080.7	1,208.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.7	0.0	-3.7	-3.0
FY2002 Governor	128.7	0.0	1,077.0	1,205.7

Central Region Planning
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	18	18	Annual Salaries	854,185
Part-time	0	0	COLA	13,497
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	310,489
			<i>Less 2.86% Vacancy Factor</i>	(33,671)
			Lump Sum Premium Pay	0
Totals	18	18	Total Personal Services	1,144,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Eng Tech Sub Journey III	1	0	0	0	1
Planner I	1	0	0	0	1
Planner II	1	0	0	0	1
Planner III	5	0	0	0	5
Research Analyst II	1	0	0	0	1
Statistical Technician I	1	0	0	0	1
Trans Planner I	2	0	0	0	2
Trans Planner II	1	0	0	0	1
Trans Planner III	1	0	0	0	1
Totals	18	0	0	0	18

Component: Northern Region Planning

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Component Mission

The mission of Northern Region Planning is to contribute to the development of the statewide transportation improvement program, the statewide transportation improvement plan, and regional plans through a public process that results in orderly project and capital budget sequencing, and to conduct highway data collection.

Component Services Provided

- Establishing and maintaining cooperative planning processes with the Division of Design and Engineering Services, Maintenance and Operations, other state and federal agencies, and local governments. This includes providing legislators, local governments, other agencies and private citizens with a central point of contact to facilitate the exchange of information with the department and to allow these groups participation in the Department of Transportation and Public Facilities decision-making process;
- Meeting requirements of the Federal Highway Administration (FHWA) that make Alaska eligible to over \$400 million each year statewide. These requirements include collection of traffic and highway inventory data, coordination with local governments, implementation of public involvement procedures, and development of a STIP for FHWA funds;
- Meeting requirements of the Federal Aviation Administration (FAA) that make Alaska eligible to receive over \$70 million annually for airport development in Alaska. These requirements include verification of enplanement data used to determine the State's allocation of FAA funding, the preparation of airport master plans, and the annual preparation of the program for aviation improvements;
- Preparing a capital improvement program to address improvement needs for roadways, ports and harbors, erosion control, pathways, barrier-free access, and other public facilities.

Component Goals and Strategies

- Involve the public in the identification and evaluation of transportation needs, plans, and programs
- Visit communities and conduct public meetings and collect public comments.
 - Develop transportation plans and programs that meet federal requirements for financial assistance.
 - Prepare airport master plans.
 - Process information for Highway Performance Monitoring System (HPMS).
 - Participate in cooperative planning process with local governments and prepare local transportation plans.
 - Coordinate interagency community development.
 - Review other government agency plans, subdivision plats, and zoning.
 - Integrate a continuing planning process with annual CIP development.
 - Insure legislative authority aligns with the Surface Transportation Improvement Plan (STIP).
 - Improve the efficiency, accuracy, and timeliness of highway data collection and reporting activities.
 - Installation of automated traffic counters.
 - Use current technology for collecting and analyzing data.

Key Component Issues for FY2001 – 2002

- Implementation of the new Federal Transportation Equity Act for the 21st Century (TEA21). Passage of the 1991 and 1998 Federal Transportation Bills expanded the requirements to inform and involve the public in development of transportation plans and programs. As a result, the area planning staff instituted a greatly expanded public involvement program including holding multiple meetings throughout the region and other communications with the local government and the general public. Planning staff then evaluates and ranks all projects to identify the highest

priority projects that are to compete statewide for federal highway funding. The new TEA21 is expected to significantly increase federal funding for transportation in Alaska.

- The Federal Aviation Administration has instituted a process called the Airport Capital Improvement Program (ACIP) which is designed to distribute Airport Improvement Program funds based upon priority and need. The Department's own Aviation Project Evaluation Board (APEB) process has been expanded to place a greater emphasis on public involvement and project prioritization in order to provide the ACIP with the information it requires. Regional planning staff must prepare extensive planning level background information for each proposed aviation project. This activity requires a greater level of interaction between regional planning staff, other DOT&PF functional groups, other State and federal agencies, and local governments.
- Sampling requirements for FHWA data collection have increased. Staff has been able to accomplish some savings through installation of automated traffic recorders. Installations have been accomplished under "one-time" capital projects. As the national highway system matures, these recorders will need routine maintenance and replacement.

Major Component Accomplishments for FY2000

- Completed update for FFY2001-2003 Statewide Transportation Improvement Program
- Completed Amendment #23 of FFY2000 Statewide Transportation Improvement Program
- Completed 4 and initiated 3 airport master plans
- Reviewed 25 other government agency plans
- Reviewed 200 subdivision plats and 75 driveway reviews
- Prepared traffic forecasts and design designations for 10 highway construction projects
- Processed all information needed for the annual submission of the Highway Performance Monitoring System (HPMS)
- Prepared and distributed the Annual Traffic Volume Report and Annual Daily Traffic map series.
- Completed Phase I and initiated Phase II of the Winter Transportation Study (Consultant Contract)
- Completed Phase I and initiated Phase II of the Fairbanks Downtown Transportation Study (Consultant Contract)

Statutory and Regulatory Authority

U. S. Code, Title 23
AS Title 19
AS Title 35
AS Title 44

Northern Region Planning

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	911.2	1,111.8	1,111.0
72000 Travel	7.6	15.2	15.2
73000 Contractual	32.9	50.7	50.7
74000 Supplies	31.9	6.5	6.5
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	983.6	1,184.2	1,183.4
Funding Sources:			
1004 General Fund Receipts	86.2	86.7	86.9
1007 Inter-Agency Receipts	39.2	54.3	54.3
1061 Capital Improvement Project Receipts	858.2	1,043.2	1,042.2
Funding Totals	983.6	1,184.2	1,183.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	39.2	54.3	39.4	54.3	39.4
Capital Improvement Project Receipts	51200	858.2	1,043.2	1,043.2	1,042.2	1,042.2
Restricted Total		897.4	1,097.5	1,082.6	1,096.5	1,081.6
Total Estimated Revenues		897.4	1,097.5	1,082.6	1,096.5	1,081.6

Northern Region Planning

Proposed Changes in Levels of Service for FY2002

Service levels will remain unchanged.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	86.7	0.0	1,097.5	1,184.2
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.2	0.0	-1.0	-0.8
FY2002 Governor	86.9	0.0	1,096.5	1,183.4

Northern Region Planning
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	12	12	Annual Salaries	770,797
Part-time	2	2	COLA	14,388
Nonpermanent	0	0	Premium Pay	61,857
			Annual Benefits	277,197
			<i>Less 1.18% Vacancy Factor</i>	(13,239)
			Lump Sum Premium Pay	0
Totals	14	14	Total Personal Services	1,111,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	1	0	0	1
Administrative Clerk III	0	2	0	0	2
Eng Tech Sub Journey II	0	1	0	0	1
Planner I	0	2	0	0	2
Planner III	0	4	0	0	4
Trans Planner I	0	2	0	0	2
Trans Planner II	0	1	0	0	1
Trans Planner III	0	1	0	0	1
Totals	0	14	0	0	14

Component: Southeast Region Planning

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Component Mission

The mission of Southeast Region Planning is to contribute to the development of the statewide transportation improvement program, the statewide transportation improvement plan, and regional plans through a public process that results in orderly project and capital budget sequencing, and to conduct highway data collection.

Component Services Provided

- Monitor and evaluate the functioning of local and regional transportation systems by either conducting traffic count programs, user surveys and condition surveys and/or gathering information developed by others.
- Maintain a dialog with community leaders and the public to identify needs, develop consensus and explain plans and programs developed to address those needs. Communicate through public meetings, public notices, email, telephone and written correspondence.
- Solicit project nominations from communities, Native organizations, governmental agencies, departmental divisions, businesses and public; review information for completeness; screen and regionally prioritize project nominations; obtain confirming cost estimates from design section; prepare project information sheets and present projects to the department's Project Evaluation Board for ranking.
- Coordinate Forest Highway Program (FHP) statewide with State Transportation Improvement Program. Support Statewide Planning Director in representing department and community interests in tri-agency meetings with representatives from the US Forest Service and Federal Highway Administration to program FHP funding and guide development of FHP projects. Participate in scoping and prioritizing projects for FHP funding.
- Develop and maintain current airport master plans and Marine Highway System plans, and assist in implementation of the Marine Highway System component of regional transportation plans. Assist communities with advice, services and funding in the development and update of local transportation and transit plans. Review community and private development plans for consistency with federal, state and community plans, regulations and laws.

Component Goals and Strategies

Involve the public in the identification and evaluation of transportation needs, plans, and programs.

- Visit communities and conduct public meetings and collect public comments
- Maintain contact with local government officials
- Maintain contact with user groups

Develop transportation plans and programs that meet federal requirements for financial assistance.

- Prepare Airport Master Plans
- Process information for Highway Performance Monitoring System (HPMS)
- Prepare local Transportation Plans

Assist communities in meeting local transportation needs.

- Participate in cooperative planning process with local governments
- Coordinate interagency community development
- Review other government agency plans, subdivision plats, and zoning
- Monitor, prioritize and recommend funding in the State Transportation Improvement Program to support the efficient implementation of the Southeast Alaska Transportation Plan, the Alaska Marine Highway System, airport master plans, and local transportation and transit plans.

Integrate a continuing planning process with annual CIP development.

- Insure legislative authority aligns with the Surface Transportation Improvement Plan (STIP)

Improve the efficiency, accuracy, and timeliness of highway data collection and reporting activities.

- Install automated traffic counters
- Use current technology for collecting and analyzing data

Key Component Issues for FY2001 – 2002

- Southeast Region Planning does not have the staff to provide all of the assigned services in a timely manner. Supporting and maintaining the region's capital improvement program takes priority over lessor coordination activities, consistency reviews and plan updates.
- Implementation of the Alaska Marine Highway component of the SE Transportation Plan, Prince William Sound Transportation Plan and Southwest Alaska Transportation Plan.
- Supporting the Alaska Marine Highway System in developing a system plan that addresses the need to reduce subsidy requirements.
- Supporting the Inter-island Ferry Authority in implementation of regional plans and programming of funds.

Major Component Accomplishments for FY2000

- Initiation of airport master plan updates for Ketchikan International Airport and Wrangell Airport and a reconnaissance study to locate a suitable site for a new airport at Angoon.
- Reassessment of the FFY2001-2003 Statewide Transportation Improvement Program.
- Completion of Bicycle-Pedestrian Plans for Haines, Craig and Klawock.
- Reviewed 5 other government agency plans
- Reviewed 24 subdivision plats and 75 driveway/encroachment reviews
- Processed all information needed for the annual submission of the Highway Performance Monitoring System (HPMS)
- Prepared and distributed the Annual Traffic Volume Report and Annual Daily Traffic map series
- Completed implementation schedules for the Southeast Transportation Plan and the Prince William Sound Transportation Plan.

Statutory and Regulatory Authority

AS 19
AS 35
AS 44

Southeast Region Planning

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	570.0	597.5	598.0
72000 Travel	0.0	4.3	4.3
73000 Contractual	9.6	16.2	16.2
74000 Supplies	13.2	7.3	7.3
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	592.8	625.3	625.8
Funding Sources:			
1004 General Fund Receipts	21.7	21.7	21.7
1007 Inter-Agency Receipts	7.6	0.0	0.0
1061 Capital Improvement Project Receipts	563.5	603.6	604.1
Funding Totals	592.8	625.3	625.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	7.6	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	563.5	603.6	603.6	604.1	604.1
Restricted Total		571.1	603.6	603.6	604.1	604.1
Total Estimated Revenues		571.1	603.6	603.6	604.1	604.1

Southeast Region Planning**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for FY02.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	21.7	0.0	603.6	625.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	0.5	0.5
FY2002 Governor	21.7	0.0	604.1	625.8

Southeast Region Planning

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	6	6	Annual Salaries	454,412
Part-time	1	1	COLA	8,767
Nonpermanent	0	0	Premium Pay	3,885
			Annual Benefits	147,298
			<i>Less 2.66% Vacancy Factor</i>	(16,362)
			Lump Sum Premium Pay	0
Totals	7	7	Total Personal Services	598,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Eng Tech Sub Journey II	0	0	1	0	1
Marine Trans Srvs Mgr	0	0	1	0	1
Trans Planner I	0	0	3	0	3
Trans Planner III	0	0	2	0	2
Totals	0	0	7	0	7

Design and Engineering Services Budget Request Unit

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BRU Mission

The mission of Design and Engineering Services is to develop projects that improve Alaska's transportation and public facilities infrastructure. The Division also provides a wide range of technical services to the Department, other state and federal agencies, local governments and the public.

BRU Services Provided

The planning of a project requires engineering, environmental and estimating services. The D&ES Division has primary responsibility for a project through the completion of a bid-ready set of plans, specifications for the legal and technical contract terms, and an engineer's estimate for the cost of construction. The D&ES staff then provides technical assistance during bidding and construction.

The Division provides a wide range of technical support functions to the Department, other state and federal agencies, local governments, and the public. Examples include design assistance, traffic speed studies, bridge inspections, materials testing, the processing of utility, right of way and traffic permits, preparation of environmental documents, a full research program and the Local Technical Assistance Program (both funded by the Federal Highway Administration). The Design and Construction Standards section develops standards that are in use throughout the state.

BRU Goals and Strategies

- To develop projects in the capital budget according to the timing and at the funding levels contained in the Department's planning documents and to ensure that the division is capable of producing at least fifty percent of the design work necessary for the program. This goal is consistent with the recommendations of the Transportation Research Board's recent publication on the outsourcing of DOT&PF design services.
- Use consultants to provide specialized technical services such as photogrammetry, design of corrosion protection, hydrology, underwater inspections and environmental site assessments.
- Continue to develop positive working relationships with resource agencies that issue permits for Department projects such as the Corps of Engineers, U.S. Fish and Wildlife, the Department of Fish and Game, the Department of Environmental Conservation, the Environmental Protection Agency, and others.
- Participate in the development of the Department's planning documents so that the resulting scope, schedule and budget are consistent with good engineering practices and practical to implement.
- Develop and implement management reporting systems for projects to improve the coordination of resources, priorities, cost, scope and standards.
- Provide the following technical services: design assistance; traffic speed studies; permits; bridge inspections; materials testing; the processing of utility, right-of-way and traffic permits; preparation of environmental documents.
- Assist the public and businesses with permits for right-of-way use, utilities, lane closures, special events, driveways and signs in an efficient and service-oriented manner.
- Continue the Local Technical Assistance Program funded by the Federal Highway Administration as an outreach program to local agencies engaged in the design, construction and maintenance of roads.

- Continue the Native Local Technical Assistance Program in a manner consistent with the Rural Governance Commission report.
- Provide a program of technical training funded by the Federal Highway Administration free to Department staff, local agencies, state and federal agencies and to consultants who are performing design work for the Department.
- Provide State design standards for Capital Projects.

Key BRU Issues for FY2001 – 2002

- Section 1309 of the Transportation Equity Act for the 21st Century calls for a coordinated environmental review process to expedite federal highway and transit projects. Environmental streamlining efforts are underway nationwide. Negotiations for the state's streamlining agreements must take place to reflect Alaska's unique conditions. The initiative has two major areas of emphasis: protecting and enhancing environmental quality and reducing project delays.
- The Division's right-of-way (ROW) activities are time consuming, expensive and often on the critical path for project delivery. This year we are continuing our efforts to streamline our ROW procedures; moving much of our property management information into a statewide database; developing on-line applications for permits; amending the regulations related to ROW and permitting and developing new ways of contracting for consultant assistance with the ROW program.
- The Department continues to support various methods to reduce pavement rutting. The Division is responsible for improved pavement designs and providing technical assistance to the legislature on bills related to studded tire wear.
- As the Division continues to increase reliance on private sector consultants, services previously provided by just Division staff must be looked at for possible private sector contracting. The negotiation and acquisition of land under eminent domain, utility relocation agreements, deep foundations drilling are examples of services that need to be contracted with a careful and cautious approach.
- The Division is undertaking an initiative to evaluate designs and design standards to reduce maintenance costs of the completed capital improvement. Capital projects are an effective way to reduce maintenance costs by replacing or refurbishing worn or outdated public facilities. There is an opportunity to assist the maintenance program by incorporating low maintenance design features.

Major BRU Accomplishments for FY2000

- The Division delivered a comprehensive program of bid ready designs and contract documents for projects across the state. The Division's performance placed the Department in a position to receive an additional \$1.5 million in Federal Highway Administration funding. The additional funds were available because other states were unable to obligate their full allocations of federal-aid.

Key Performance Measures for FY2002

Measure: Complete preliminary design and final design on projects within 10% of the budget in the Department's current year planning documents.
(Not yet addressed by Legislature.)

Current Status:

After a year of review, the Division of Design and Engineering Services realizes that the response to this performance measure is more complicated than originally anticipated. Criteria for the data that is to be used and procedures for its

compilation must be established in Department procedures. The Division will develop and implement the processes needed to properly report on this measure within the Department's current resources.

Benchmark:

None that are comparable.

Background and Strategies:

The Division of Statewide Design and Engineering Services participates in the development of the Department's planning documents to ensure that the resulting scope, schedule and budget are consistent with good engineering practices and are practical to implement. The Department will develop and implement management reporting systems for projects so that we improve the coordination of resources, priorities, cost, scope and standards by providing better information on projects as they are developed. Better development of an initial project scope will lead to better budget performance once a project is in design.

The Division continues to refine the estimates used in the planning phase of project development through use of scope, schedule and budget estimating procedures. These estimates are initially prepared by the Department's planning staff, but must be approved by the Design and Engineering Services Division. This input early in the project development process will lead to better estimates.

Measure: Whether the department completes the environmental impact statement phase on the Ketchikan Airport Access by December 31, 2001.

(Added by Legislature in FY2001 version.)

Current Status:

Issuing the draft EIS for public comment is dependent on local acceptance of the alternatives to be studied. The draft EIS is scheduled to be issued for public comments this summer.

Benchmark:

None

Background and Strategies:

This project is under contract with a private firm. The Division staff overseeing the contractor's work meet regularly with the contractor to ensure that the project remains on track.

Measure: The transfer of state-owned ports and harbors to local control with legislative appropriation support.

(Added by Legislature in FY2001 version.)

Current Status:

Communities rejected provisions of CH 130, SLA 00. No transfers occurred through this appropriation. All communities identified in this legislation have adopted resolutions opposing this method of financing harbor transfers.

Benchmark:

None

Background and Strategies:

The Statewide Harbors Engineer works with local communities to ensure the smooth transition of ports and harbors transfers to local control. He actively follows the capital budget as it makes its way through the legislature, to ensure that he is prepared to take immediate steps once the budget passes and is signed by the Governor.

Measure: The percentage of federal highway funds obligated in the previous federal fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of federal highway funds were obligated. The Division's performance placed the Department in a position to receive an additional \$1.5 million in funding from the Federal Highway Administration. The additional funds were

available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Benchmark:

None

Background and Strategies:

The Division strives to obligate all federal funds that are available to the state for highway projects. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: The percentage of projects in the capital budget that have been bid in the year programmed.

(Revised from Legislature's FY2001 version.)

Current Status:

On track

Benchmark:

None

Background and Strategies:

The Division strives to complete designs and bid all projects that are part of the capital budget each year. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: The percentage of total project costs spent on project development.

(Developed jointly with Legislature in FY2001.)

Current Status:

There was 14% of total project costs spent on project development in FY 2000.

Benchmark:

There are no comparable benchmarks. The Division will need to develop benchmarks specific to Alaska.

Background and Strategies:

The Division is developing management reporting tools to aid in its efforts to control project development costs. We have also instituted additional program codes to more carefully track right of way and utilities expenditures. We will use the available management tools to track our costs, and improve our performance.

Measure: The percentage difference between final project estimates and construction bids.

(Added by Legislature in FY2001 version.)

Current Status:

On track

Benchmark:

There are no comparable benchmarks. The Division will need to develop benchmarks specific to Alaska.

Background and Strategies:

The Division will be constructing a bid tabulation and project estimating management reporting system during FY 2001-2002 using federal research funds. We will use this tool to improve our final project estimates by using historic information to prepare our estimates.

Measure: Whether the department is successful in requiring private contractors performing design and engineering services for the state to report on the same measures.

(Added by Legislature in FY2001 version.)

Current Status:

On track

Benchmark:

None

Background and Strategies:

Work performed under contract is already included in the results of our other measures.

Measure: The percentage of the design and engineering work of the division that was performed by private contractors.

(Developed jointly with Legislature in FY2001.)

Current Status:

We estimate that there is greater than 50% of the design and engineering work performed by private contractors.

Benchmark:

The recently released Transportation Research Board Report #277 on the outsourcing of Department of Transportation design work recommends that the optimal program is a balance of one-half in-house and one-half consultant designs.

Background and Strategies:

The Division intends to maintain current staff levels, and contract out as necessary to complete the work programmed in the capital budget and obligate all federal highway and airport funds available.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> Complete preliminary design and design on projects within 10% of the budget in the Department's planning documents. Whether the department completes the environmental impact statement phase on the Ketchikan Airport Access by December 31, 2001 The transfer of state-owned ports and harbors to local control with legislative appropriation support. The percentage of federal highway funds obligated in the previous federal fiscal year. The percentage of projects in the capital budget that have been designed and bid in the year programmed. The percentage of total project costs spent on project development. The percentage difference between final project estimates and construction bids. Whether the department is successful in requiring private contractors performing design and engineering services for the state to report on the same measures. 		<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>X</p> <p>X</p>		<p>X</p>

Budget Request Unit — Design and Engineering Services

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none">The percentage of the design and engineering work of the division that was performed by private contractors.		X			

Design and Engineering Services
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
SW Design & Engineering Svcs	1,045.7	0.0	6,471.2	7,516.9	889.1	0.0	6,458.4	7,347.5	913.9	0.0	7,249.4	8,163.3
Central Design & Eng Svcs	269.5	0.0	10,122.1	10,391.6	413.3	0.0	9,799.0	10,212.3	412.6	0.0	10,798.7	11,211.3
Northern Design & Eng Svcs	235.8	0.0	7,212.9	7,448.7	265.9	0.0	9,083.2	9,349.1	265.8	0.0	9,473.4	9,739.2
Southeast Design & Eng Svcs	292.9	0.0	4,922.3	5,215.2	327.8	0.0	5,283.2	5,611.0	328.1	0.0	5,653.8	5,981.9
Totals	1,843.9	0.0	28,728.5	30,572.4	1,896.1	0.0	30,623.8	32,519.9	1,920.4	0.0	33,175.3	35,095.7

Design and Engineering Services**Proposed Changes in Levels of Service for FY2002**

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Design and Engineering Services**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,896.1	0.0	30,623.8	32,519.9
Adjustments which get you to start of year:				
-SW Design & Engineering Svcs	0.0	0.0	539.3	539.3
-Central Design & Eng Svcs	0.0	0.0	217.8	217.8
-Northern Design & Eng Svcs	0.0	0.0	83.7	83.7
-Southeast Design & Eng Svcs	0.0	0.0	121.1	121.1
Adjustments which will continue current level of service:				
-SW Design & Engineering Svcs	-0.2	0.0	-34.5	-34.7
-Central Design & Eng Svcs	-0.7	0.0	124.5	123.8
-Northern Design & Eng Svcs	-0.1	0.0	-283.2	-283.3
-Southeast Design & Eng Svcs	0.3	0.0	-13.6	-13.3
Proposed budget increases:				
-SW Design & Engineering Svcs	25.0	0.0	286.2	311.2
-Central Design & Eng Svcs	0.0	0.0	657.4	657.4
-Northern Design & Eng Svcs	0.0	0.0	589.7	589.7
-Southeast Design & Eng Svcs	0.0	0.0	263.1	263.1
FY2002 Governor	1,920.4	0.0	33,175.3	35,095.7

Component: Statewide Design and Engineering Services

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Component Mission

The mission of Design and Engineering Services is to develop projects that improve Alaska's transportation and public facilities infrastructure. The Division also provides a wide range of technical services to the Department, other state and federal agencies, local governments and the public.

Component Services Provided

- The Director's Office provides management and guidance to the Division.
- The Administrative Section provides financial and personnel support, and prepares and administers the Division's operating budget and select capital projects.
- The Bridge Design Section provides design services and consultant oversight for new bridge and/or bridge rehabilitation construction projects and a broad range of services associated with the existing inventory of the state's 916 public highway bridges.
- The Statewide Materials Section provides technical support in geology, geotechnical engineering, geologic drilling for major structures and deep hole investigations, foundation design, pavement design and pavement management systems.
- The Ports and Harbors Section provides direction and technical expertise to statewide, regional and local harbor program participants.
- The Design and Construction Standards Section establishes statewide highway design and construction policy, procedures and standards, and develops relevant technical manuals.
- The Research and Technology Transfer Section manages the Department's research program, and provides a variety of technology transfer and training opportunities to Department staff and local government and private sector transportation professionals.

Component Goals and Strategies

- To develop projects in the capital budget according to the timing and at the funding levels contained in the Department's planning documents and to ensure that the division is capable of producing at least fifty percent of the design work necessary for the program. This goal is consistent with the recommendations of the Transportation Research Board's recent publication on the outsourcing of DOT&PF design services.
- Use consultants to provide specialized technical services such as photogrammetry, design of corrosion protection, hydrology, underwater inspections and environmental site assessments.
- Continue to develop positive working relationships with resource agencies that issue permits for Department projects such as the Corps of Engineers, U.S. Fish and Wildlife, the Department of Fish and Game, the Department of Environmental Conservation, the Environmental Protection Agency, and others.
- Participate in the development of the Department's planning documents so that the resulting scope, schedule and budget are consistent with good engineering practices and practical to implement.

- Develop and implement management reporting systems for projects to improve the coordination of resources, priorities, cost, scope and standards.
- Provide the following technical services: design assistance; traffic speed studies; permits; bridge inspections; materials testing; the processing of utility, right-of-way and traffic permits; preparation of environmental documents.
- Assist the public and businesses with permits for right-of-way use, utilities, lane closures, special events, driveways and signs in an efficient and service-oriented manner.
- Continue the Local Technical Assistance Program funded by the Federal Highway Administration as an outreach program to local agencies engaged in the design, construction and maintenance of roads.
- Continue the Native Local Technical Assistance Program in a manner consistent with the Rural Governance Commission report.
- Provide a program of technical training funded by the Federal Highway Administration free to Department staff, local agencies, state and federal agencies and to consultants who are performing design work for the Department.
- Provide State design standards for capital projects.

Key Component Issues for FY2001 – 2002

- Section 1309 of the Transportation Equity Act for the 21st Century calls for a coordinated environmental review process to expedite federal highway and transit projects. Environmental streamlining efforts are underway nationwide. Negotiations for the state's streamlining agreements must take place to reflect Alaska's unique conditions. The initiative has two major areas of emphasis: protecting and enhancing environmental quality and reducing project delays.
- The Division's right-of-way (ROW) activities are time consuming, expensive and often on the critical path for project delivery. This year we are continuing our efforts to streamline our ROW procedures; moving much of our property management information into a statewide database; developing on-line applications for permits; amending the regulations related to ROW and permitting and developing new ways of contracting for consultant assistance with the ROW program.
- The Department continues to support various methods to reduce pavement rutting. The Division is responsible for improved pavement designs and providing technical assistance to the legislature on bills related to studded tire wear.
- As the Division continues to increase reliance on private sector consultants, services previously provided by just Division staff must be looked at for possible private sector contracting. The negotiation and acquisition of land under eminent domain, utility relocation agreements, deep foundations drilling are examples of services that need to be contracted with a careful and cautious approach.
- The Division is undertaking an initiative to evaluate designs and design standards to reduce maintenance costs of the completed capital improvement. Capital projects are an effective way to reduce maintenance costs by replacing or refurbishing worn or outdated public facilities. There is an opportunity to assist the maintenance program by incorporating low maintenance design features.

Major Component Accomplishments for FY2000

- The Division delivered a comprehensive program of bid ready designs and contract documents for projects across the state. The Division's performance placed the Department in a position to receive an additional \$1.5

million in Federal Highway Administration funding. The additional funds were available because other states were unable to obligate their full allocations of federal-aid.

Statutory and Regulatory Authority

AS 02.15, AS 08.48, AS 08.87, AS 19, AS 34.60, AS 35, AS 36, AS 44.42, AS 44.62, 17 AAC 15, CFR 14 Aeronautics, CFR 15 Environment, CFR 16 Environment, CFR 23 Highways, CFR 33 Environment, CFR 41 Contracts, CFR 42 Environment/ADA, CFR 43 Lands, CFR 49 Transportation.

Statewide Design and Engineering Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	6,722.0	7,019.1	7,295.6
72000 Travel	99.8	51.8	165.4
73000 Contractual	374.3	174.7	559.8
74000 Supplies	224.8	94.9	135.5
75000 Equipment	96.0	7.0	7.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,516.9	7,347.5	8,163.3
Funding Sources:			
1004 General Fund Receipts	1,045.7	889.1	913.9
1007 Inter-Agency Receipts	1,514.1	0.0	0.0
1061 Capital Improvement Project Receipts	4,957.1	6,458.4	7,249.4
Funding Totals	7,516.9	7,347.5	8,163.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	1,514.1	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	4,957.1	6,458.4	6,458.4	7,249.4	7,249.4
Restricted Total		6,471.2	6,458.4	6,458.4	7,249.4	7,249.4
Total Estimated Revenues		6,471.2	6,458.4	6,458.4	7,249.4	7,249.4

Statewide Design and Engineering Services

Proposed Changes in Levels of Service for FY2002

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	889.1	0.0	6,458.4	7,347.5
Adjustments which get you to start of year:				
-Add \$539.3 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	539.3	539.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.2	0.0	-34.5	-34.7
Proposed budget increases:				
-Add \$311.2 to fund increases in Engineers' pay resulting from a classification study	25.0	0.0	286.2	311.2
FY2002 Governor	913.9	0.0	7,249.4	8,163.3

Statewide Design and Engineering Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	82	83	Annual Salaries	5,292,798
Part-time	12	12	COLA	95,991
Nonpermanent	0	0	Premium Pay	476,471
			Annual Benefits	1,882,150
			<i>Less 5.83% Vacancy Factor</i>	(451,810)
			Lump Sum Premium Pay	0
Totals	94	95	Total Personal Services	7,295,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	2	0	0	0	2
Accounting Tech II	0	0	1	0	1
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	1	1	2	0	4
Administrative Clerk III	2	0	0	0	2
Administrative Manager IV	0	0	1	0	1
Asst Commissioner	0	0	1	0	1
Division Director	1	0	0	0	1
DOT/PF Statewide Env Coord	0	0	1	0	1
Drafting Technician III	1	0	3	0	4
Driller Journey	6	0	0	0	6
Engineer/Architect I	0	2	2	0	4
Engineer/Architect II	1	0	0	0	1
Engineer/Architect III	1	0	0	0	1
Engineer/Architect IV	1	1	3	0	5
Engineering Assistant I	1	0	1	0	2
Engineering Assistant II	1	0	3	0	4
Engineering Assistant III	3	0	5	0	8
Engineering Associate	0	0	1	0	1
Engineering Geologist I	1	0	0	0	1
Engineering Geologist II	3	0	0	0	3
Engineering Geologist III	2	0	0	0	2
Engineering Geologist IV	1	0	0	0	1
Env Eng Associate	0	0	1	0	1
Matlab Tech Foreman	1	0	0	0	1
Matlab Tech Journey	3	0	0	0	3
Matlab Tech Sub Journey II	3	0	0	0	3
Matlab Tech Sub Journey III	1	0	0	0	1
Micro/Network Tech II	0	0	1	0	1
Policy Analyst	1	0	0	0	1
Publications Spec II	0	0	1	0	1
Right Of Way Agent VI	0	0	1	0	1
Right-Of-Way Review AP/I	0	0	2	0	2
Spec Asst To The Comm II	0	0	1	0	1
Tech Eng I / Architect I	3	0	5	0	8
Tech Eng II / Architect II	3	0	9	0	12
Training Specialist	0	2	0	0	2
Totals	43	6	46	0	95

Component: Central Design and Engineering Services

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Component Mission

The mission of Design and Engineering Services is to develop projects that improve Alaska's transportation and public facilities infrastructure. The Division also provides a wide range of technical services to the Department, other state and federal agencies, local governments and the public.

Component Services Provided

A full suite of design services is provided in the regional offices: preliminary design and environmental, traffic and safety, materials, surveying, right-of-way, utilities, and design. Each project is taken from the planning stage to final preparation of plans, specifications and estimates, and technical assistance is provided during construction. Environmental compliance services are provided during construction, maintenance and operations of facilities. Design assistance, traffic speed studies, accident analysis, hydrological studies, materials testing, surveying, and the processing of utility, right-of-way and traffic permits are also provided to other state and federal agencies, local governments and the public.

Component Goals and Strategies

- To develop projects in the capital budget according to the timing and at the funding levels contained in the Department's planning documents and to ensure that the division is capable of producing at least fifty percent of the design work necessary for the program. This goal is consistent with the recommendations of the Transportation Research Board's recent publication on the outsourcing of DOT&PF design services.
- Use consultants to provide specialized technical services such as photogrammetry, design of corrosion protection, hydrology, underwater inspections and environmental site assessments.
- Continue to develop positive working relationships with resource agencies that issue permits for Department projects such as the Corps of Engineers, U.S. Fish and Wildlife, the Department of Fish and Game, the Department of Environmental Conservation, the Environmental Protection Agency, and others.
- Participate in the development of the Department's planning documents so that the resulting scope, schedule and budget are consistent with good engineering practices and practical to implement.
- Develop and implement management reporting systems for projects to improve the coordination of resources, priorities, cost, scope and standards.
- Provide the following technical services: design assistance; traffic speed studies; permits; bridge inspections; materials testing; the processing of utility, right-of-way and traffic permits; preparation of environmental documents.
- Assist the public and businesses with permits for right-of-way use, utilities, lane closures, special events, driveways and signs in an efficient and service-oriented manner.

Key Component Issues for FY2001 – 2002

- Section 1309 of the Transportation Equity Act for the 21st Century calls for a coordinated environmental review process to expedite federal highway and transit projects. Environmental streamlining efforts are underway nationwide. Negotiations for the state's streamlining agreements must take place to reflect Alaska's unique

conditions. The initiative has two major areas of emphasis: protecting and enhancing environmental quality and reducing project delays.

- The Division's right-of-way (ROW) activities are time consuming, expensive and often on the critical path for project delivery. This year we are continuing our efforts to streamline our ROW procedures; moving much of our property management information into a statewide database; developing on-line applications for permits; amending the regulations related to ROW and permitting and developing new ways of contracting for consultant assistance with the ROW program.
- The Department continues to support various methods to reduce pavement rutting. The Division is responsible for improved pavement designs and providing technical assistance to the legislature on bills related to studded tire wear.
- As the Division continues to increase reliance on private sector consultants, services previously provided by just Division staff must be looked at for possible private sector contracting. The negotiation and acquisition of land under eminent domain, utility relocation agreements, deep foundations drilling are examples of services that need to be contracted with a careful and cautious approach.

Major Component Accomplishments for FY2000

- The Division delivered a comprehensive program of bid ready designs and contract documents for projects across the state. The Division's performance placed the Department in a position to receive an additional \$1.5 million in Federal Highway Administration funding. The additional funds were available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Statutory and Regulatory Authority

AS 02.15, AS 08.48, AS 08.87, AS 19, AS 34.60, AS 35, AS 36, AS 44.42, AS 44.62, 17 AAC 15, CFR 14 Aeronautics, CFR 15 Environment, CFR 16 Environment, CFR 23 Highways, CFR 33 Environment, CFR 41 Contracts, CFR 42 Environment/ADA, CFR 43 Lands, CFR 49 Transportation.

Central Design and Engineering Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	9,787.6	9,753.4	10,534.6
72000 Travel	9.5	8.0	12.4
73000 Contractual	271.7	177.9	313.2
74000 Supplies	222.5	273.0	351.1
75000 Equipment	100.3	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,391.6	10,212.3	11,211.3
Funding Sources:			
1004 General Fund Receipts	45.7	171.8	178.1
1005 General Fund/Program Receipts	223.8	233.1	234.5
1007 Inter-Agency Receipts	685.0	128.8	80.3
1053 Investment Loss Trust Fund	0.0	8.4	0.0
1061 Capital Improvement Project Receipts	9,231.5	9,428.0	10,475.3
1108 Statutory Designated Program Receipts	205.6	242.2	243.1
Funding Totals	10,391.6	10,212.3	11,211.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	685.0	128.8	128.8	80.3	80.3
General Fund Program Receipts	51060	223.8	233.1	233.1	234.5	234.5
Statutory Designated Program Receipts	51063	205.6	242.2	242.2	243.1	243.1
Capital Improvement Project Receipts	51200	9,231.5	9,428.0	9,428.0	10,475.3	10,475.3
Investment Loss Trust Fund	51393	0.0	8.4	8.4	0.0	0.0
Restricted Total		10,345.9	10,040.5	10,040.5	11,033.2	11,033.2
Total Estimated Revenues		10,345.9	10,040.5	10,040.5	11,033.2	11,033.2

Central Design and Engineering Services**Proposed Changes in Levels of Service for FY2002**

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	413.3	0.0	9,799.0	10,212.3
Adjustments which get you to start of year:				
-Add \$217.8 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	217.8	217.8
Adjustments which will continue current level of service:				
-Transfer in \$250.0 CIP from Northern D&ES for personal services	0.0	0.0	250.0	250.0
-Transfer out \$50.0 IA to the Commissioners Office	0.0	0.0	-50.0	-50.0
-Year 2 Labor Costs - Net Change from FY2001	-0.7	0.0	-75.5	-76.2
Proposed budget increases:				
-Add \$657.4 to fund increases in Engineers' pay resulting from a classification study	0.0	0.0	657.4	657.4
FY2002 Governor	412.6	0.0	10,798.7	11,211.3

Central Design and Engineering Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	142	144	Annual Salaries	8,157,170
Part-time	11	11	COLA	126,828
Nonpermanent	0	0	Premium Pay	140,683
			Annual Benefits	2,870,316
			<i>Less 6.73% Vacancy Factor</i>	(760,397)
			Lump Sum Premium Pay	0
Totals	153	155	Total Personal Services	10,534,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	5	0	0	0	5
Administrative Clerk III	4	0	0	0	4
Administrative Supervisor	1	0	0	0	1
Drafting Technician III	15	0	0	0	15
Eng Tech Journey	1	0	0	0	1
Engineer/Architect I	14	0	0	0	14
Engineer/Architect II	8	0	0	0	8
Engineer/Architect III	7	0	0	0	7
Engineer/Architect IV	3	0	0	0	3
Engineer/Architect V	1	0	0	0	1
Engineering Assistant II	19	0	0	0	19
Engineering Assistant III	15	0	0	0	15
Engineering Associate	4	0	0	0	4
Engr in Training 25-3408	1	0	0	0	1
Engr in Training 25-3409	1	0	0	0	1
Environmental Analyst I	1	0	0	0	1
Environmental Analyst II	5	0	0	0	5
Environmental Analyst III	3	0	0	0	3
Environmental Coordinator	1	0	0	0	1
Land Surveyor I	2	0	0	0	2
Land Surveyor II	1	0	0	0	1
Right Of Way Agent I	1	0	0	0	1
Right Of Way Agent II	8	0	0	0	8
Right Of Way Agent III	11	0	0	0	11
Right Of Way Agent IV	3	0	0	0	3
Right Of Way Agent VI	1	0	0	0	1
Right Of Way Assistant	4	0	0	0	4
Survey Instrum Tech II	1	0	0	0	1
Survey Instrum Tech Tne	1	0	0	0	1
Survey Journey	3	0	0	0	3
Survey Lead	3	0	0	0	3
Survey Sub Journey II	3	0	0	0	3
Tech Eng I / Architect I	3	0	0	0	3
Totals	154	0	1	0	155

Component: Northern Design and Engineering Services

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Component Mission

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Key Component Issues for FY2001 – 2002

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Major Component Accomplishments for FY2000

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Statutory and Regulatory Authority

AS 02.15, AS 08.48, AS 08.87, AS 19, AS 34.60, AS 35, AS 36, AS 44.42, AS 44.62, 17 AAC 15, CFR 14 Aeronautics, CFR 15 Environment, CFR 16 Environment, CFR 23 Highways, CFR 33 Environment, CFR 41 Contracts, CFR 42 Environment/ADA, CFR 43 Lands, CFR 49 Transportation.

Northern Design and Engineering Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	7,206.2	9,079.6	9,386.0
72000 Travel	11.5	10.9	31.4
73000 Contractual	144.7	126.2	173.6
74000 Supplies	58.7	132.4	148.2
75000 Equipment	27.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,448.7	9,349.1	9,739.2
Funding Sources:			
1004 General Fund Receipts	156.5	141.7	144.6
1005 General Fund/Program Receipts	79.3	120.1	121.2
1007 Inter-Agency Receipts	161.3	81.2	84.2
1053 Investment Loss Trust Fund	0.0	4.1	0.0
1061 Capital Improvement Project Receipts	6,990.9	8,916.2	9,303.0
1108 Statutory Designated Program Receipts	60.7	85.8	86.2
Funding Totals	7,448.7	9,349.1	9,739.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	161.3	81.2	81.2	84.2	84.2
General Fund Program Receipts	51060	79.3	120.1	120.1	121.2	121.2
Statutory Designated Program Receipts	51063	60.7	85.8	85.8	86.2	86.2
Capital Improvement Project Receipts	51200	6,990.9	8,916.2	8,916.2	9,303.0	9,303.0
Investment Loss Trust Fund	51393	0.0	4.1	4.1	0.0	0.0
Restricted Total		7,292.2	9,207.4	9,207.4	9,594.6	9,594.6
Total Estimated Revenues		7,292.2	9,207.4	9,207.4	9,594.6	9,594.6

Northern Design and Engineering Services

Proposed Changes in Levels of Service for FY2002

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	265.9	0.0	9,083.2	9,349.1
Adjustments which get you to start of year:				
-Add \$83.7 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	83.7	83.7
Adjustments which will continue current level of service:				
-Transfer out \$250.0 CIP to Central D&ES for personal service CIP program	0.0	0.0	-250.0	-250.0
-Year 2 Labor Costs - Net Change from FY2001	-0.1	0.0	-33.2	-33.3
Proposed budget increases:				
-Add \$589.7 to fund increases in Engineers' pay resulting from a classification study.	0.0	0.0	589.7	589.7
FY2002 Governor	265.8	0.0	9,473.4	9,739.2

Northern Design and Engineering Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	113	114	Annual Salaries	7,063,859
Part-time	22	16	COLA	119,664
Nonpermanent	0	0	Premium Pay	267,260
			Annual Benefits	2,441,415
			<i>Less 5.12% Vacancy Factor</i>	(506,198)
			Lump Sum Premium Pay	0
Totals	135	130	Total Personal Services	9,386,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	1	0	0	1
Administrative Clerk II	0	8	0	0	8
Drafting Technician III	0	7	0	0	7
Driller Journey	0	3	0	0	3
Driller Sub Journey	0	2	0	0	2
Engineer/Architect I	0	10	0	1	11
Engineer/Architect II	0	5	0	1	6
Engineer/Architect III	0	7	0	0	7
Engineer/Architect IV	0	2	0	0	2
Engineer/Architect V	0	1	0	0	1
Engineering Assistant I	0	2	0	0	2
Engineering Assistant II	0	8	0	2	10
Engineering Assistant III	0	13	0	4	17
Engineering Associate	0	2	0	0	2
Engineering Geologist I	0	1	0	0	1
Engineering Geologist II	0	2	0	0	2
Engineering Geologist IV	0	1	0	0	1
Engr in Training 25-3410	0	1	0	0	1
Engr in Training 25-3411	0	1	0	0	1
Environmental Analyst II	0	6	0	0	6
Environmental Analyst III	0	3	0	0	3
Environmental Coordinator	0	1	0	0	1
Land Surveyor I	0	2	0	0	2
Land Surveyor II	0	1	0	0	1
Right Of Way Agent I	0	1	0	0	1
Right Of Way Agent II	0	4	0	0	4
Right Of Way Agent III	0	7	0	0	7
Right Of Way Agent IV	0	3	0	0	3
Right Of Way Agent VI	0	1	0	0	1
Right Of Way Assistant	0	1	0	0	1
Survey Journey	0	3	0	1	4
Survey Lead	0	2	0	1	3
Survey Sub Journey II	0	4	0	1	5
Tech Eng I / Architect I	0	3	0	0	3
Totals	0	119	0	11	130

Component: Southeast Design and Engineering Services

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Component Mission

The mission of Design and Engineering Services is to develop projects that improve Alaska's transportation and public facilities infrastructure. The Division also provides a wide range of technical services to the Department, other state and federal agencies, local governments and the public.

Component Services Provided

A full suite of design services is provided in the Regional offices: preliminary design and environmental, traffic and safety, materials, surveying, right-of-way, utilities, and design. Each project is taken from the planning stage to final preparation of plans, specifications and estimates, and technical assistance is provided during construction. Environmental compliance services are provided during construction, maintenance and operations of facilities. Design assistance, traffic speed studies, accident analysis, hydrological studies, materials testing, surveying, and the processing of utility, right-of-way and traffic permits are also provided to other state and federal agencies, local governments and the public.

Component Goals and Strategies

- To develop projects in the capital budget according to the timing and at the funding levels contained in the Department's planning documents and to ensure that the division is capable of producing at least fifty percent of the design work necessary for the program. This goal is consistent with the recommendations of the Transportation Research Board's recent publication on the outsourcing of DOT&PF design services.
- Use consultants to provide specialized technical services such as photogrammetry, design of corrosion protection, hydrology, underwater inspections and environmental site assessments.
- Continue to develop positive working relationships with resource agencies that issue permits for Department projects such as the Corps of Engineers, U.S. Fish and Wildlife, the Department of Fish and Game, the Department of Environmental Conservation, the Environmental Protection Agency, and others.
- Participate in the development of the Department's planning documents so that the resulting scope, schedule and budget are consistent with good engineering practices and practical to implement.
- Develop and implement management reporting systems for projects to improve the coordination of resources, priorities, cost, scope and standards.
- Provide the following technical services: design assistance; traffic speed studies; permits; bridge inspections; materials testing; the processing of utility, right-of-way and traffic permits; preparation of environmental documents.
- Assist the public and businesses with permits for right-of-way use, utilities, lane closures, special events, driveways and signs in an efficient and service-oriented manner.

Key Component Issues for FY2001 – 2002

- Section 1309 of the Transportation Equity Act for the 21st Century calls for a coordinated environmental review process to expedite federal highway and transit projects. Environmental streamlining efforts are underway nationwide. Negotiations for the state's streamlining agreements must take place to reflect Alaska's unique

conditions. The initiative has two major areas of emphasis: protecting and enhancing environmental quality and reducing project delays.

- The Division's right-of-way (ROW) activities are time consuming, expensive and often on the critical path for project delivery. This year we are continuing our effort to streamline our ROW procedures; moving much of our property management information into a statewide database; developing on-line applications for permits; amending the regulations related to ROW and permitting and developing new ways of contracting for consultant assistance with the ROW program.
- The Department continues to support various methods to reduce pavement rutting. The Division is responsible for improved pavement designs and providing technical assistance to the legislature on bills related to studded tire wear.
- As the Division continues to increase reliance on private sector consultants, services previously provided by just Division staff must be looked at for possible private sector contracting. The negotiation and acquisition of land under eminent domain, utility relocation agreements, deep foundations drilling are examples of services that need to be contracted with a careful and cautious approach.

Major Component Accomplishments for FY2000

- The Division delivered a comprehensive program of bid ready designs and contract documents for projects across the state. The Division's performance placed the Department in a position to receive an additional \$1.5 million in Federal Highway Administration funding. The additional funds were available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Statutory and Regulatory Authority

AS 02.15, AS 08.48, AS 08.87, AS 19, AS 34.60, AS 35, AS 36, AS 44.42, AS 44.62, 17 AAC 15, CFR 14 Aeronautics, CFR 15 Environment, CFR 16 Environment, CFR 23 Highways, CFR 33 Environment, CFR 41 Contracts, CFR 42 Environment/ADA, CFR 43 Lands, CFR 49 Transportation.

Southeast Design and Engineering Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,040.5	5,230.7	5,480.5
72000 Travel	9.7	13.6	34.3
73000 Contractual	117.4	175.3	206.2
74000 Supplies	47.6	191.4	260.9
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,215.2	5,611.0	5,981.9
Funding Sources:			
1004 General Fund Receipts	221.0	241.4	246.7
1005 General Fund/Program Receipts	71.9	81.0	81.4
1007 Inter-Agency Receipts	202.4	30.7	30.9
1053 Investment Loss Trust Fund	0.0	5.4	0.0
1061 Capital Improvement Project Receipts	4,719.9	5,056.4	5,427.3
1108 Statutory Designated Program Receipts	0.0	196.1	195.6
Funding Totals	5,215.2	5,611.0	5,981.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	202.4	30.7	30.7	30.9	30.9
General Fund Program Receipts	51060	71.9	81.0	81.0	81.4	81.4
Statutory Designated Program Receipts	51063	0.0	196.1	196.1	195.6	195.6
Capital Improvement Project Receipts	51200	4,719.9	5,056.4	5,056.4	5,427.3	5,427.3
Investment Loss Trust Fund	51393	0.0	5.4	5.4	0.0	0.0
Restricted Total		4,994.2	5,369.6	5,369.6	5,735.2	5,735.2
Total Estimated Revenues		4,994.2	5,369.6	5,369.6	5,735.2	5,735.2

Southeast Design and Engineering Services**Proposed Changes in Levels of Service for FY2002**

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	327.8	0.0	5,283.2	5,611.0
Adjustments which get you to start of year:				
-Add \$121.1 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	121.1	121.1
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.3	0.0	-13.6	-13.3
Proposed budget increases:				
-Add \$263.1 to fund increases in Engineers' pay resulting from a classification study	0.0	0.0	263.1	263.1
FY2002 Governor	328.1	0.0	5,653.8	5,981.9

Southeast Design and Engineering Services

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	67	68	Annual Salaries	4,136,241
Part-time	7	7	COLA	70,995
Nonpermanent	0	0	Premium Pay	133,358
			Annual Benefits	1,442,320
			<i>Less 5.23% Vacancy Factor</i>	(302,414)
			Lump Sum Premium Pay	0
Totals	74	75	Total Personal Services	5,480,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	3	0	3
Drafting Technician II	0	0	1	0	1
Drafting Technician III	0	0	4	0	4
Eng Tech Sub Journey III	0	0	2	0	2
Engineer/Architect I	0	0	4	0	4
Engineer/Architect II	0	0	1	0	1
Engineer/Architect III	0	0	6	0	6
Engineer/Architect IV	0	0	3	0	3
Engineer/Architect V	0	0	1	0	1
Engineering Assistant I	0	0	1	0	1
Engineering Assistant II	0	0	5	0	5
Engineering Assistant III	0	0	4	0	4
Engineering Associate	0	0	5	0	5
Engineering Geologist II	0	0	1	0	1
Engineering Geologist III	0	0	1	0	1
Engr in Training 25-3412	0	0	1	0	1
Environmental Analyst II	0	0	2	0	2
Environmental Analyst III	0	0	2	0	2
Environmental Coordinator	0	0	1	0	1
Land Surveyor I	0	0	1	0	1
Matlab Tech Journey	0	0	1	0	1
Matlab Tech Sub Journey IV	0	0	1	0	1
Micro/Network Spec I	0	0	1	0	1
Micro/Network Tech I	0	0	1	0	1
Right Of Way Agent II	0	0	1	0	1
Right Of Way Agent III	0	0	6	0	6
Right Of Way Agent IV	0	0	2	0	2
Right Of Way Agent VI	0	0	1	0	1
Right Of Way Assistant	0	0	1	0	1
Survey Journey	0	0	2	0	2
Survey Lead	0	0	2	0	2
Tech Eng I / Architect I	0	0	6	0	6
Totals	0	0	75	0	75

Construction and CIP Support Budget Request Unit

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BRU Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

BRU Services Provided

Each Construction and CIP Support component reports to a different region, and the services provided may vary from region to region. The following information is typical of services provided. See individual components for detail.

Construction Branch: Administers construction contracts, provides field inspection and construction oversight, provides quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.

Contracts Branch: The Construction Contract Unit reviews construction documents, provides bid packages, advertises and awards contracts, prepares certified bid tabulations, and helps resolve bidding disputes. The Professional Services Agreement Unit coordinates, solicits, selects, prepares and administers Professional Services agreements.

Project Control Branch: Coordinates and programs project funding, administers state and federal grants, provides engineering management support, prepares and manages the component's operating budget, develops, enhances, maintains Oracle management reporting system for capital projects, provides regional network administration and desktop computer support, and processes time and equipment charges to projects.

BRU Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, and facilities efficiently and in accordance with department policies and procedures.
- Construct and complete all projects on time and within budget.
- Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.

To protect the health and safety of the people of Alaska:

- Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.
- Identify and correct existing safety related problems on road and facilities projects.

Key BRU Issues for FY2001 – 2002

TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The State's salary levels for engineers have made it difficult to hire and retain experienced personnel, however wages were recently increased for many of our engineers and we are still waiting to see how effective that action was.

Major BRU Accomplishments for FY2000

- Received \$230 million in federal highway construction authorization in FFY99.

- Received \$74 million in federal aviation authorization in FFY99, of which the majority was allocated to the construction phase.
- Awarded contracts for \$50 million in International Airport Revenue Fund, general fund, and reimbursable projects in FY99.
- Increased safety awareness in construction traffic zones.

Key Performance Measures for FY2002

Measure: The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount.
(Not yet addressed by Legislature.)

Current Status:

Out of a representative random sample of 55 projects completed in FY00, the total percentage change from contract bid to completion was approximately 7%.

Benchmark:

No benchmark is known. A review of other states will be conducted to determine if similar information is collected and used for management purposes.

Background and Strategies:

Currently, the department is working on over 519 active construction projects that span several construction seasons. Significant to the cost of urban projects are traffic maintenance costs necessary for a project to have a minimal impact on the travelling public, heavy public input during the construction of a project, and safety, pedestrian, and environmental considerations. Scope changes during construction are rare, and are undertaken only where there is a substantial advantage to the public, the potential of a significant lost opportunity, a safety consideration and/or a major environmental issue.

Contracts allow specific relief for changed conditions that could not be foreseen, forces of nature, and/or unusually severe weather. Due to these factors, specific projects will occasionally have cost overruns. To decrease contract overruns, some combination of the following is necessary: improve estimating quantities in bid documents, make more field changes that reduce quantities and costs, make fewer field changes that increase quantities or cost, or decline performing extra work requested by others (e.g., local governments, other agencies).

It is also important to note that because large-dollar projects generally take longer to build and usually have more significant environmental and community impacts than the majority of federal-aid highway projects, they have greater potential to experience substantial cost increases and lengthy construction delays. The Public Facilities Branch typically provides design and construction administration services for other state client agencies. During the course of construction these client agencies may direct additional work be performed, making the stated performance measure out of the control of Department personnel.

Measure: Percentage of the total construction costs that were spent on contract administration.
(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of contract administration costs for closed projects during FY00 were as follows:

	Highways	Aviation
Central Region	18%	13%
Northern Region	18%	18%
Southeast Region	19%	19%

Benchmark:

There is no established benchmark at this time. However, up until recently the FHWA had a benchmark of 15%, which has been considered an industry standard.

Background and Strategies:

This measure can only be accurately determined after the project is closed and all project charges are accounted for. The Department closed out 55 projects during FY00. Historically, contract administration costs run at about 14.5%. The high percentage recorded in FY00 is because the small number of closed projects was not representative of the typical size and complexity of projects normally closed out in a year.

This measure is always a challenge because of the remoteness of most of the projects (increasing travel and transportation costs), and because the requirements of the federal funding agencies and the expectations of the traveling public tend to increase over time. All of these factors drive administrative costs up.

Measure: Percentage of the total construction costs that were spent on change orders.

(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of change order costs for closed projects during FY00 were as follows:

	Highways	Aviation
Central Region	6%	5%
Northern Region	6%	10%
Southeast Region	8%	8%

Benchmark:

There is no established benchmark at this time. However, past internal policy was to keep total contract adjustments, including change orders and quantity overruns, at less than 10%.

Background and Strategies:

This measure can only be accurately determined after the project is closed and all project charges are accounted for. Historically, total contract adjustments, including change orders and quantity overruns, run at about 5.4%. The high percentage recorded in FY00 is because the small number of projects closed out was not representative of the typical size and complexity of projects normally closed out in a year.

This measure is always a challenge because: 1) efforts to reduce design costs inevitably result in an increase in construction change order costs and quantity overruns; 2) local governments, utilities, and maintenance forces often don't recognize needed enhancements or utility adjustments until the projects are underway; and 3) upper management sometimes isn't aware of opportunities for enhancements until the projects are under construction. All of these factors are beyond the control of this construction program.

Measure: The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally.

(Developed jointly with Legislature in FY2001.)

Current Status:

The number of centerline miles of gravel road surfaced with chip seal, hot mix or high float asphalt for the first time during FY00 is as follows:

	Total	by Hwys & Aviation	by Const & CIP
Central Region	103.0	36.0	67.0
Northern Region	49.0	4.3	44.7
Southeast Region	5.0	.0	5.0
TOTAL	157.0	40.3	116.7

Benchmark:

We are unaware of any specific benchmark at this time. Number of miles of roads that are surfaced is dependent upon amount of funds budgeted through the STIP.

Background and Strategies:

The Road Paving Program established in State Fiscal Year 99 implements the Administration's goal of reducing maintenance costs and improving the quality of life for Alaskans by hard surfacing state owned/maintained Non National Highway System (NHS) gravel roads, as well as those NHS roads also identified under the Statewide

Transportation Improvement Program (STIP). The scope of this work represents limited shoulder work, drainage and other work related to preserving the road structure. This is an extremely important program and will provide great benefit to many Alaskans. The Department of Transportation and Public Facilities also benefits directly from this program through reduced maintenance costs. Roads are selected for this program based on cost, condition of the roads, and traffic levels

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount. 			X		
<ul style="list-style-type: none"> Percentage of the total construction costs that were spent on contract administration. 		X			
<ul style="list-style-type: none"> Percentage of the total construction costs that were spent on change orders. 		X			
<ul style="list-style-type: none"> The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally. 		X			

Construction and CIP Support
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Central Construction & CIP	246.8	0.0	12,441.9	12,688.7	255.5	0.0	12,324.8	12,580.3	255.6	0.0	13,660.0	13,915.6
Northern Construction & CIP	307.0	0.0	9,767.3	10,074.3	309.5	0.0	10,388.6	10,698.1	309.1	0.0	11,143.0	11,452.1
Southeast Region Construction	174.4	0.0	3,309.4	3,483.8	177.4	0.0	4,012.4	4,189.8	178.2	0.0	4,224.7	4,402.9
Totals	728.2	0.0	25,518.6	26,246.8	742.4	0.0	26,725.8	27,468.2	742.9	0.0	29,027.7	29,770.6

Construction and CIP Support**Proposed Changes in Levels of Service for FY2002**

No service changes.

Construction and CIP Support**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	742.4	0.0	26,725.8	27,468.2
Adjustments which get you to start of year:				
-Central Construction & CIP	0.0	0.0	560.5	560.5
-Northern Construction & CIP	0.0	0.0	71.2	71.2
-Southeast Region Construction	0.0	0.0	55.5	55.5
Adjustments which will continue current level of service:				
-Central Construction & CIP	0.1	0.0	-67.5	-67.4
-Northern Construction & CIP	-0.4	0.0	-40.8	-41.2
-Southeast Region Construction	0.8	0.0	-13.3	-12.5
Proposed budget increases:				
-Central Construction & CIP	0.0	0.0	842.2	842.2
-Northern Construction & CIP	0.0	0.0	724.0	724.0
-Southeast Region Construction	0.0	0.0	170.1	170.1
FY2002 Governor	742.9	0.0	29,027.7	29,770.6

Component: Central Region Construction and CIP Support

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Component Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Component Services Provided

- Division general management.
- Administer construction contracts, provide field inspection and construction oversight, provide quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and report Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents, provide bid packages, advertise and award contracts, prepare certified bid tabulations, and help resolve bidding disputes. Coordinate, solicit, select, prepare and administer Professional Services Agreements.
- Plan facilities, program projects, and provide cost estimate and management services necessary to design, construct, renovate, or repair state owned public facilities.
- Provide facility planning, develop project designs, administer and inspect construction contract work, provide financing planning and assist in the issuance of bonds, develop and implement cost and schedule controls, and provide overall program management for the redevelopment of the Anchorage International Airport terminal and associated airside and road improvements.
- Coordinate and program project funding, administer state and federal grants, provide engineering management support, prepare and manage the component's operating budget, develop, enhance, and maintain the Oracle Management Reporting System for capital projects, provide regional network administration and desktop computer support, and process time and equipment charges to projects.

Component Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, and facilities efficiently and in accordance with department policies and procedures.
- Construct and complete all projects on time and within budget.
- Monitor and forecast expenditures to assure funding is available for timely payment of contract obligations.
- Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.
- Plan, design, construct, renovate, and repair public facilities managed by other state agencies to meet their respective needs and objectives.
- Transfer ownership of applicable roads and facilities to local governments upon completion of construction improvements.
- Improve the National Highway System corridor to Anchorage International Airport as part of the Gateway Alaska project.
- Correct existing code deficiencies, perform seismic retrofitting, and expand Anchorage International Airport to bring the terminal up to current safety standards, alleviate congestion and accommodate increasing passenger demand.

To protect the health and safety of the people of Alaska:

- Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.
- Identify and correct existing safety related problems on road and facilities projects.

- Establish appropriate "double fine" construction zones, use vehicle speed awareness equipment, and contract for increased enforcement through the Alaska State Troopers and the Anchorage Police Department in construction work sites.
- Inform the public of road closures and construction delays by posting "Southcentral Navigator" and other special construction advisories in newspapers, on television, and on the department's web-site.

Provide general management and administrative support:

- Provide timely public notice for bidding and contracting opportunities through the use of the department's web-site and other formal advertisements.
- Coordinate the consultant selection process to facilitate contracting for design and construction services as quickly and cost effectively as possible.
- Advise and train project managers concerning funding requirements and rules to ensure all federal and state financial and project development guidelines are followed.

Key Component Issues for FY2001 – 2002

- TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The state recognized this need in FY01 and increased salary levels for engineers, which will allow the department to hire and retain experienced personnel. Continued review will be necessary to determine the success of this action.
- The increased workload created by the TEA-21 program is making it difficult to perform certain administrative tasks with current staffing levels.
- Increased deferred maintenance needs at state facilities.

Major Component Accomplishments for FY2000

- Received \$ 100 million in federal highway construction authorization in FFY00.
- Received \$ 37 million in federal aviation authorization in FFY00, of which the majority was allocated to the construction phase.
- Awarded contracts for \$ 40.5 million in International Airport Revenue Fund, general fund, and reimbursable projects in FY00.
- Completed runway, taxiway, lighting, and safety improvements at rural airports in Bethel, Hooper Bay, Kalskag, Napakiak, Pilot Point and Tuntutuliak.
- Continued work on the AIA Terminal Redevelopment project. Concourse C Demolition and construction of Phase I of the roadway improvements which included a new departure ramp were completed. Construction of roadway improvements continues under Phase II. Began construction of a replacement office building for the federal Office of Aircraft Services (OAS).
- Completed the Whittier Access Tunnel project, opened to traffic on schedule.
- Completed paving 67 centerline miles of gravel roads in Central Region.
- Completed reconstruction of the Parks Highway from the Glenn Highway to Church Street, including an Interchange at Trunk Road, the first phase of the \$87 million program to widen and improve the Parks Highway through the City of Wasilla.
- Continued commitment to upgrade the National Highway System routes to meet current standards for width, grade, alignment and safety. Reconstruction of the Glenn Highway from MP 55-61 Moose Creek to Sutton and the Sterling Highway from MP 37-45 Seward "Y" to Kenai Lake were completed. Construction began on the Seward Highway reconstruction project from MP 8 to 18, Grouse Creek Canyon to Snow River.
- Completed reconstruction of major National Highway System (NHS) routes and intersections within the Anchorage area: Minnesota Drive from Old Seward Highway to International Airport Road and Ocean Dock Road, Whitney Road to the Port of Anchorage.
- Increased safety awareness in construction traffic zones.
- Completed the Mat-Su Youth Detention Facility in Palmer, a multi-year renovation/addition of the Wildwood Pre-Trial Facility in Kenai, an upgrade of the sewage treatment lagoon system at Palmer Correction Center near Sutton, and the re-roofing of the DOT&PF Annex Building in Anchorage. Began construction of the State Public Health Lab and Medical Examiners Building and renovation of one wing of the Palmer Pioneers' Home to improve fire/life safety for residents.

· Completed over \$640,000 in ADA upgrades to various correctional facilities, public health centers, court and office buildings throughout the state.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 08 Business and Professions
- AS 19 Highways and Ferries
- AS 34 Property
- AS 35 Public Buildings, Works
- AS 36 Public Contracts
- AS 44 State Government
- USC CFR 14 Aeronautics
- USC CFR 23 Highways
- USC CFR 41 Contracts
- USC CFR 43 Lands
- USC CFR 49 Transportation

Central Region Construction and CIP Support

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	11,845.3	12,025.4	12,800.2
72000 Travel	16.7	6.3	15.0
73000 Contractual	685.9	460.9	700.4
74000 Supplies	140.8	87.7	400.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	12,688.7	12,580.3	13,915.6
Funding Sources:			
1004 General Fund Receipts	246.8	255.5	255.6
1007 Inter-Agency Receipts	1,197.4	431.3	454.1
1061 Capital Improvement Project Receipts	11,244.5	11,893.5	13,205.9
Funding Totals	12,688.7	12,580.3	13,915.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	25.7	16.3	16.3	16.3	16.3
Unrestricted Total		25.7	16.3	16.3	16.3	16.3
Restricted Revenues						
Interagency Receipts	51015	1,197.4	431.3	431.3	454.1	454.1
Capital Improvement Project Receipts	51200	11,244.5	11,893.5	11,893.5	13,205.9	13,205.9
Restricted Total		12,441.9	12,324.8	12,324.8	13,660.0	13,660.0
Total Estimated Revenues		12,467.6	12,341.1	12,341.1	13,676.3	13,676.3

Central Region Construction and CIP Support

Proposed Changes in Levels of Service for FY2002

- Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.
- The Quality Financial Management Initiative Team review of project costs, in accordance with recently adopted federal guidelines established for indirect cost allocation plans, has been completed. Full implementation of the program will begin in the FY2002 operating budget. This will allow the state to receive federal reimbursement for previously non-participating costs through the indirect cost recovery process. The impact will be an increase in CIP receipts to the department's operating budget, as well as in the Central Region Construction and CIP Support component.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	255.5	0.0	12,324.8	12,580.3
Adjustments which get you to start of year:				
-Add \$560.5 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A87	0.0	0.0	560.5	560.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.1	0.0	-67.5	-67.4
Proposed budget increases:				
-Add \$842.2 to fund increases in Engineers' pay that resulted from class study across departments	0.0	0.0	842.2	842.2
FY2002 Governor	255.6	0.0	13,660.0	13,915.6

Central Region Construction and CIP Support

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	129	132	Annual Salaries	9,033,036
Part-time	69	68	COLA	161,606
Nonpermanent	0	0	Premium Pay	1,008,212
			Annual Benefits	3,412,124
			Less 5.98% Vacancy Factor	(814,778)
			Lump Sum Premium Pay	0
Totals	198	200	Total Personal Services	12,800,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant IV	1	0	0	0	1
Accounting Clerk I	1	0	0	0	1
Accounting Clerk II	1	0	0	0	1
Accounting Spvr II	1	0	0	0	1
Accounting Tech II	2	0	0	0	2
Accounting Tech III	2	0	0	0	2
Administrative Assistant	2	0	0	0	2
Administrative Clerk II	8	0	0	0	8
Administrative Clerk III	4	0	0	0	4
Administrative Manager IV	1	0	0	0	1
Architectural Asst III	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Director Operations	1	0	0	0	1
Duplication Supervisor	1	0	0	0	1
Eng Tech Journey	14	0	0	5	19
Eng Tech Sub Journey I	7	0	0	3	10
Eng Tech Sub Journey II	10	0	0	6	16
Eng Tech Sub Journey III	7	0	0	4	11
Engineer/Architect II	8	0	0	0	8
Engineer/Architect III	7	0	0	0	7
Engineer/Architect IV	5	0	0	0	5
Engineer/Architect V	1	0	0	0	1
Engineering Assistant I	8	0	0	0	8
Engineering Assistant II	29	0	0	0	29
Engineering Assistant III	30	0	0	0	30
Engineering Associate	10	0	0	0	10
Engr in Training 25-3403	1	0	0	0	1
Engr in Training 25-3404	1	0	0	0	1
Micro/Network Spec I	3	0	0	0	3
Micro/Network Tech II	2	0	0	0	2
Offset Dup Mach Op I	1	0	0	0	1
Offset Dup Mach Op II	1	0	0	0	1
Procurement Spec I	2	0	0	0	2
Procurement Spec II	2	0	0	0	2
Procurement Spec III	1	0	0	0	1
Secretary	1	0	0	0	1
Tech Eng I / Architect I	3	0	0	0	3
Trans Planner I	1	0	0	0	1

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Totals	182	0	0	18	200

Component: Northern Region Construction and CIP Support

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Component Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Component Services Provided

- * Construction Branch: Administers construction contracts, provides field inspection and construction oversight, provides quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- * Contracts Branch: Reviews construction documents, provides bid packages, advertises and awards contracts, prepares certified bid tabulations, and helps resolve bidding disputes; coordinates, solicits, selects, prepares and administers Professional Services agreements.
- * Project Control Branch: Coordinates and programs project funding, administers state and federal grants, provides engineering management support, prepares and manages the component's operating budget, develops, enhances, maintains Oracle management reporting system for capital projects, provides regional network administration and desktop computer support, and processes time and equipment charges to projects.

Component Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- * Advertise, award, and administer construction contracts for roads, airports, and facilities efficiently and in accordance with department policies and procedures.

- * Construct and complete all projects on time and within budget.

- * Monitor and forecast expenditures to assure funding is available for timely payment of contract obligations.

- * Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.

- * Transfer ownership of applicable roads and facilities to local governments upon completion of construction improvements.

To protect the health and safety of the people of Alaska:

- * Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.

- * Identify and correct existing safety related problems on road and facilities projects.

- * Establish appropriate "double fine" construction zones, use vehicle speed awareness equipment, and contract for increased enforcement through the Alaska State Troopers and Fairbanks Police Department in construction work sites.

- * Inform the public of road closures and construction delays by posting special construction advisories in newspapers, on television, and on the department's web-site.

- * Provide general management and administrative support:
- * Provide timely public notice for bidding and contracting opportunities through the use of the department's web-site and other formal advertisements.
- * Coordinate the consultant selection process to facilitate contracting for design and construction services as quickly and cost effectively as possible.
- * Advise and train project managers concerning funding requirements and rules to ensure all federal and state financial and project development guidelines are followed.

Key Component Issues for FY2001 – 2002

- * TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide; creating competition across the country for trained and experienced engineering personnel. The State recognized this need in FY01 and increased salary levels for engineers, which will allow the department to hire and retain experienced personnel. Continued review will be necessary to determine the success of that action.
- * The increased workload created by the TEA-21 program makes it difficult to perform certain administrative tasks with current staffing levels.
- * Increased deferred maintenance needs at state facilities.

Major Component Accomplishments for FY2000

- * Received over \$77.9 million in federal highway and aviation construction authorization in FFY00.
- * Awarded contracts for \$2.4 million in International Airport Revenue Fund, general fund, and reimbursable projects in SFY00.
- * Increased safety awareness in construction traffic zones.
- * Completed construction and reconstruction of \$27.9 million dollars in needed transportation infrastructure improvements including: Parks Highway Four-Lane Widening; Nome-Council Road MP 53-62 Reconstruction; Tok Cutoff Road MP 0-124 and Glenn Highway MP 173-189 Leveling and Resurfacing; and Badger Road MP 0-0.6 Reconstruction and Environmental Restoration.
- * Completed \$16.5 million dollars in runway, taxiway, lighting, environmental and safety improvements at the Fairbanks International Airport; Deadhorse Airport; and Birch Creek Airport.

Statutory and Regulatory Authority

- * AS 02 Aeronautics
- * AS 08 Business and Professions
- * AS 19 Highways and Ferries
- * AS 34 Property
- * AS 35 Public Buildings, Works
- * AS 36 Public Contracts
- * AS 44 State Government
- * USC CFR 14 Aeronautics
- * USC CFR 23 Highways
- * USC CFR 41 Contracts
- * USC CFR 43 Lands
- * USC CFR 49 Transportation

Northern Region Construction and CIP Support

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	9,431.6	10,201.3	10,884.1
72000 Travel	21.6	17.4	25.0
73000 Contractual	403.5	353.3	373.3
74000 Supplies	181.3	126.1	169.7
75000 Equipment	36.3	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,074.3	10,698.1	11,452.1
Funding Sources:			
1004 General Fund Receipts	307.0	309.5	309.1
1007 Inter-Agency Receipts	1,096.1	124.4	124.3
1061 Capital Improvement Project Receipts	8,671.2	10,264.2	11,018.7
Funding Totals	10,074.3	10,698.1	11,452.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	0.9	9.3	9.3	9.3	9.3
Unrestricted Total		0.9	9.3	9.3	9.3	9.3
Restricted Revenues						
Interagency Receipts	51015	1,096.1	124.4	567.5	124.3	567.4
Capital Improvement Project Receipts	51200	8,671.2	10,264.2	10,264.2	11,018.7	11,018.7
Restricted Total		9,767.3	10,388.6	10,831.7	11,143.0	11,586.1
Total Estimated Revenues		9,768.2	10,397.9	10,841.0	11,152.3	11,595.4

Northern Region Construction and CIP Support

Proposed Changes in Levels of Service for FY2002

* Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

* A Quality Financial Management Initiative Team formed in FY99 analyzed certain project costs that may have been incorrectly classified as direct vs. indirect. A final report was generated recommending proper treatment of certain account codes, proper use of special capital improvement projects, proper allocation of support services, and adequate documentation in the DOT&PF Policies and Procedures manual and training for its implementation. Implementation of these recommendations will take place in the FY02 Operating Budget. The impact will be an increase in CIP receipts to the department's operating budget, as well as the Northern Region Construction and CIP Support component.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	309.5	0.0	10,388.6	10,698.1
Adjustments which get you to start of year:				
-Add \$71.2 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	71.2	71.2
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.4	0.0	-40.8	-41.2
Proposed budget increases:				
-Add \$724.0 in CIP Auth to fund increases in Engineers' pay from a class study across departments	0.0	0.0	724.0	724.0
FY2002 Governor	309.1	0.0	11,143.0	11,452.1

Northern Region Construction and CIP Support

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	85	87	Annual Salaries	7,852,375
Part-time	133	133	COLA	138,250
Nonpermanent	0	0	Premium Pay	738,662
			Annual Benefits	2,972,788
			<i>Less 6.99% Vacancy Factor</i>	(817,975)
			Lump Sum Premium Pay	0
Totals	218	220	Total Personal Services	10,884,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	2	0	0	2
Accounting Spvr II	0	1	0	0	1
Accounting Tech I	0	1	0	0	1
Accounting Tech II	0	2	0	0	2
Accounting Tech III	0	2	0	0	2
Administrative Clerk I	0	1	0	0	1
Administrative Clerk II	0	11	0	0	11
Administrative Clerk III	0	2	0	1	3
Administrative Manager II	0	1	0	0	1
Administrative Manager IV	0	1	0	0	1
Analyst/Programmer III	0	1	0	0	1
Eng Tech Journey	0	17	0	3	20
Eng Tech Sub Journey I	0	10	0	5	15
Eng Tech Sub Journey II	0	25	0	7	32
Eng Tech Sub Journey III	0	18	0	5	23
Engineer/Architect I	0	1	0	1	2
Engineer/Architect II	0	2	0	1	3
Engineer/Architect III	0	2	0	2	4
Engineer/Architect IV	0	3	0	0	3
Engineer/Architect V	0	1	0	0	1
Engineering Assistant I	0	6	0	2	8
Engineering Assistant II	0	22	0	8	30
Engineering Assistant III	0	14	0	5	19
Engineering Associate	0	13	0	5	18
Matlab Tech Journey	0	2	0	0	2
Matlab Tech Sub Journey I	0	2	0	0	2
Matlab Tech Sub Journey II	0	1	0	1	2
Matlab Tech Sub Journey III	0	1	0	0	1
Matlab Tech Sub Journey IV	0	3	0	0	3
Micro/Network Spec I	0	1	0	0	1
Micro/Network Spec II	0	1	0	0	1
Micro/Network Tech II	0	2	0	0	2
Supply Technician II	0	1	0	0	1
Survey Sub Journey I	0	1	0	0	1
Totals	0	174	0	46	220

Component: Southeast Region Construction

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Component Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Component Services Provided

- Provide overall management of the division's activities.
- Administer construction contracts for all modes of transportation and public facilities.
- Provide field inspection and construction oversight.
- Provide quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects
- Report on Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents.
- Provide bid packages.
- Advertise and award contracts.
- Prepare certified bid tabulations.
- Coordinate, solicit, select, prepare and administer Professional Services Agreements.

Component Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, ferry terminals, harbors, and facilities efficiently and in accordance with department policies and procedures.
- Construct and complete all projects on time and within budget.
- Monitor and forecast expenditures to assure funding is available for timely payment of contract obligations.
- Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.
- Construct, renovate, and repair public facilities managed by other state agencies to meet their respective needs and objectives.
- Improve ferry terminals and highway links throughout Southeast Alaska as part of the Southeast Alaska Transportation Plan.

To protect the health and safety of the people of Alaska:

- Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.
- Identify and correct existing safety related problems on road and facilities projects.
- Establish appropriate "double fine" construction zones and use vehicle speed monitoring equipment for increased safety in construction work sites.
- Inform the public of road closures and construction delays by posting the "Southeast Pilot" on the department's web-site, and other special construction advisories in newspapers and on radio.

Provide general management and administrative support:

- Provide timely public notice for bidding and contracting opportunities through the use of the department's web-site and other formal advertisements.
- Coordinate the consultant selection process to facilitate contracting for design and construction services as quickly and cost effectively as possible.
- Advise and train project managers concerning funding requirements and rules to ensure all federal and state financial and project development guidelines are followed.

Key Component Issues for FY2001 – 2002

TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The State's salary levels for engineers have made it difficult to hire and retain experienced personnel, however wages were recently increased for many of our engineers and we are still waiting to see how effective that action was.

The increased workload created by the TEA-21 program is also making it difficult to perform certain administrative tasks with current staffing levels.

Major Component Accomplishments for FY2000

- Received nearly \$48 million in federal highway, federal aviation, and general fund construction authorization in FFY 00.
- Completed paving 5 centerline miles of gravel road in Southeast Region.
- Completed 32 lane miles of paving on Egan Drive with a new rut-resistant asphalt overlay.
- Completed the first phase of a major new road link in Ketchikan.
- Completed a major airport reconstruction in Skagway.
- Completed significant airport upgrades in Sitka, Yakutat, and Klawock.
- Completed harbor repairs in Craig, Hydaburg, and Metlakatla.
- Completed a major ferry terminal upgrade in Petersburg.
- Completed a major marine facility in Bartlett Cove for the US Park Service.
- Increased safety awareness in construction work zones by implementing Double Fines in Construction Zones and using speed monitoring displays.
- Increased quality assurance effectiveness by obtaining materials testing certifications for 19 engineers and technicians under the Western Alliance for Quality in Transportation Construction program.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 08 Business and Professions
- AS 19 Highways and Ferries
- AS 34 Property
- AS 35 Public Buildings, Works
- AS 36 Public Contracts
- AS 44 State Government
- USC CFR 14 Aeronautics
- USC CFR 23 Highways
- USC CFR 41 Contracts
- USC CFR 43 Lands
- USC CFR 49 Transportation

Southeast Region Construction

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,343.3	3,893.8	4,051.4
72000 Travel	6.0	7.8	13.5
73000 Contractual	104.9	119.6	144.0
74000 Supplies	29.6	168.6	194.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,483.8	4,189.8	4,402.9
Funding Sources:			
1004 General Fund Receipts	174.4	177.4	178.2
1007 Inter-Agency Receipts	100.6	0.0	0.0
1061 Capital Improvement Project Receipts	3,208.8	4,012.4	4,224.7
Funding Totals	3,483.8	4,189.8	4,402.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	100.6	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	3,208.8	4,012.4	4,012.4	4,224.7	4,224.7
Restricted Total		3,309.4	4,012.4	4,012.4	4,224.7	4,224.7
Total Estimated Revenues		3,309.4	4,012.4	4,012.4	4,224.7	4,224.7

Southeast Region Construction

Proposed Changes in Levels of Service for FY2002

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	177.4	0.0	4,012.4	4,189.8
Adjustments which get you to start of year:				
-Add \$55.5 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	55.5	55.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.8	0.0	-13.3	-12.5
Proposed budget increases:				
-Add \$170.1 in CIP to fund increases in Engineers' pay resulting from a classification study.	0.0	0.0	170.1	170.1
FY2002 Governor	178.2	0.0	4,224.7	4,402.9

Southeast Region Construction**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	31	32	Annual Salaries	2,680,977
Part-time	27	27	COLA	53,760
Nonpermanent	0	0	Premium Pay	486,698
			Annual Benefits	1,047,298
			<i>Less 5.09% Vacancy Factor</i>	(217,333)
			Lump Sum Premium Pay	0
Totals	58	59	Total Personal Services	4,051,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager IV	0	0	1	0	1
Division Director	0	0	1	0	1
Eng Tech Journey	0	0	4	14	18
Eng Tech Sub Journey I	0	0	0	1	1
Eng Tech Sub Journey II	0	0	1	2	3
Eng Tech Sub Journey III	0	0	1	4	5
Engineer/Architect III	0	0	1	0	1
Engineer/Architect IV	0	0	2	0	2
Engineer/Architect V	0	0	1	0	1
Engineering Assistant I	0	0	1	0	1
Engineering Assistant II	0	0	5	0	5
Engineering Assistant III	0	0	6	0	6
Engineering Associate	0	0	8	1	9
Procurement Spec II	0	0	1	0	1
Supply Technician II	0	0	1	0	1
Totals	0	0	37	22	59

Statewide Facility Maintenance and Operations Budget Request Unit

Contact: Boyd J. Brownfield, Deputy Commissioner

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BRU Mission

The mission of the Statewide Facility Maintenance and Operations BRU is to:

- Improve the quality of life for Alaskans by cost effectively providing environmental sound and reliable public facilities.
- Provide the traveling public and Alaskan communities with sound and effective leasing and property management practices at the state's airports and harbors.
- Maintain and operate the State's traffic control devices in the Anchorage and Eagle River area.

BRU Services Provided

- The Facilities components furnish basic services and utilities, such as electricity, water, sewer, waste disposal, janitorial, heating, grounds maintenance, and snow removal for state-owned facilities.
- The Facilities components also provide preventative and routine maintenance, repairs, remodeling, and major maintenance for state-owned facilities.
- The Leasing and Property Management components administer leases at rural airports in the Northern and Central Regions of Alaska. This involves processing applications for new leases, building permits, assignments, security assignments, subleases, supplements and closures. Revenue produced by leasing rural airport lands helps offset maintenance costs at those airports.
- The Traffic Signal Management component provides maintenance and operations of all state traffic control devices in the Anchorage and Eagle River areas.

BRU Goals and Strategies

To efficiently maintain and operate over 600 state-owned buildings in Alaska, and safeguard the State's investment in public buildings.

- Provide adequate maintenance to prevent premature deterioration and costly repairs.
- Reduce operating costs by replacing obsolete components and systems, as operating and capital funding will allow.

To provide a clean, safe, and healthy physical working environment for State employees and for the general public to use while conducting business with the State.

- Comply with building codes, fire and life safety codes, ADA accessibility standards and OSHA requirements.

To generate and optimize revenues from rural airports.

- Implement adopted regulations to bring lease rates closer to fair market rent.
- Promptly process lease applications and building permits.
- Advertise availability of new properties at rural airports.
- Institute landing fees for large aircraft and tie-down program for light aircraft

Promote the transfer of ownership of harbors to individual communities by working with local communities to find terms and conditions acceptable to both parties.

Key BRU Issues for FY2001 – 2002

- Reduced operating budgets mean a larger proportion of available funding is devoted to utilities and other fixed building operating expenses, with fewer resources available for vital preventive and routine maintenance, resulting in accelerated deterioration and increasing deferred maintenance backlog.
- Capital funding for major repairs, renewal and replacement of obsolete systems in facilities is grossly inadequate to meet current needs and reduce the accumulated maintenance backlog.

- Continuation of the Public Building Fund program wherein individual agencies pay rent to the Department of Administration for office space. The pilot project included six buildings in Juneau, one in Anchorage and one in Fairbanks. Additional non-general funds accessed through this process will go towards meeting deferred maintenance needs.
- Transfer of responsibility for maintenance and operation of 13 building located in Juneau to Department of Administration, Division of General Services, including the 6 buildings newly funded by the Public Building Fund.
- Lease rate increases indicated by 1996 and 1999 market studies cannot be implemented until revised Title 17 regulations are adopted and implemented. However, some rate reduction changes have taken place. The delay in revised Title 17 regulations has limited lease revenues.
- Initiated structural evaluations of high-risk buildings looking for potential catastrophic failure following the collapse of the Cascade shop. Structural evaluations have not been conducted on state facilities for many years. Emergency funds were used to hire an independent structural engineer to review the first 3 buildings.
- The agreement for DOT&PF to maintain Harborview Development Center expired June 30, 2000. The department has used capital funds to shut down and mothball an unused portion of the building. Operating funds are being used to cover utility costs, however there are insufficient funds to cover the yearly expense. There has been no agreement reached as to who will have responsibility to maintain the building after operating funds run out. The Department's FY2002 budget request contains program receipt authority should the City of Valdez step forward to pay the facility's operating costs.

Major BRU Accomplishments for FY2000

- Administered 238 contracts and work orders with private sector for construction and maintenance projects.
- Completed projects to bring facilities into compliance with ADA standards such as handicap ramps, public restroom renovations, and door hardware replacement.
- Continued removal and retrofitting of underground storage tanks that provided fuel for state vehicles and fuel for backup power generators.
- Began construction of the Cascade equipment storage building that collapsed due to heavy snows.
- Assumed overall maintenance responsibility for all weigh stations.
- Completed structural and electrical repair projects at harbors in Craig, Hydaburg, Metlakatla, Seldovia and Port Lions.
- Began conversion of the traffic signals in Anchorage and Eagle River from standard bulbs to Light Emitting Diodes (LED). This conversion will reduce the utility operating cost for the traffic signals by about 90%.

Key Performance Measures for FY2002

Measure: The percentage of facility mechanical systems that pass safety inspections each year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of mechanical systems have passed safety inspections during the past year. Generally all pass inspection the first time without any repairs. All deficiencies found during an inspection are immediately corrected by the Department. The following equipment or systems require safety inspection: Security and surveillance equipment; fire alarm panels; sprinklers; boilers; compressor tanks; elevators; cranes and lifts, boilers, back flow preventers and air conditioner systems. These inspections are performed either by in-house staff, contractors, or the Department of Labor.

Benchmark:

Safety is of the highest priority and the state requires that all mechanical systems pass safety inspections.

Background and Strategies:

These systems are under the jurisdiction of the Department of Labor and Workforce Development, Division of Labor Standards and Safety, Mechanical Inspection. Currently, some boilers are serviced with in-house personnel, although the recent trend has been towards contracting for this work, due to the specialized skills needed. Elevator servicing and repairs has always been contracted, since the skilled craftsmen are not available through Local #71 and large private firms have the in-depth support needed for that service.

The Department has never had boilers or elevators "red-tagged" or taken out of service after an inspection; however, it is common for the inspector to note deficiencies, which we address by the abatement date.

Measure: Whether the Department maintains or reduces the net value of facilities deferred maintenance projects annually with legislative appropriation support

(Developed jointly with Legislature in FY2001.)

Current Status:

The only funds the Department receives from the Legislature are State Deferred Maintenance funds. For FY01, a total of \$800,000 was appropriated for all the state-owned facilities the Department is responsible for maintaining. Those funds will be used for repairing the following:

- boiler and air conditioning system at the Aviation Ave. building in Anchorage,
- the electrical systems at the Peger Road building in Fairbanks and the Tudor Road building in Anchorage,
- the roof at the SE Region building, and
- the driveway at the Alaska State Museum.

Benchmark:

The only funds the Department receives from the Legislature are State Deferred Maintenance funds. For FY 01, a total of \$800,000 was appropriated for all the state-owned facilities the Department is responsible for maintaining. Those funds will be used for repairing the following:

- boiler and air conditioning system at the Aviation Ave. building in Anchorage,
- the electrical systems at the Peger Road building in Fairbanks and the Tudor Road building in Anchorage,
- the roof at the SE Region building, and
- the driveway at the Alaska State Museum.

Background and Strategies:

State Deferred Maintenance funds are very important in maintaining state buildings. The accumulated deferred maintenance backlog has increased 14% in the past two years. The current estimated Deferred Maintenance short fall is \$45 million. Lack of capital funding and fewer available operating resources for vital preventive and routine maintenance has resulted in accelerated deterioration of public facilities. Renewal and replacement of obsolescent systems in facilities is grossly inadequate to meet current needs and reduce the accumulated deferred maintenance backlog. Additional funding is necessary to meet current needs and to reduce the deferred maintenance backlog.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The percentage of facility mechanical systems that pass safety inspections each year. • Whether the Department maintains or reduces the net value of facilities deferred maintenance projects annually with legislative appropriation support 		X	X		

Statewide Facility Maintenance and Operations

BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Traffic Signal Management	1,183.0	0.0	0.0	1,183.0	1,183.0	0.0	0.0	1,183.0	1,183.0	0.0	0.0	1,183.0
Central Region Facilities	2,805.2	0.0	750.0	3,555.2	2,835.9	0.0	771.6	3,607.5	2,828.7	0.0	706.6	3,535.3
Northern Region Facilities	6,184.5	1.2	1,332.5	7,518.2	5,535.0	2.0	2,222.7	7,759.7	5,591.7	2.0	1,978.2	7,571.9
Southeast Region Facilities	3,613.9	0.0	305.6	3,919.5	1,726.1	0.0	2,195.5	3,921.6	744.0	0.0	119.0	863.0
Central Leasing & Property Mgt	517.0	0.0	65.0	582.0	528.6	0.0	70.3	598.9	524.4	0.0	70.9	595.3
North. Leasing & Property Mgt	545.3	0.0	45.1	590.4	559.9	0.0	57.0	616.9	557.5	0.0	57.2	614.7
Totals	14,848.9	1.2	2,498.2	17,348.3	12,368.5	2.0	5,317.1	17,687.6	11,429.3	2.0	2,931.9	14,363.2

Statewide Facility Maintenance and Operations

Proposed Changes in Levels of Service for FY2002

- The Facilities components furnish basic services and utilities, such as electricity, water, sewer, waste disposal, janitorial, heating, grounds maintenance, and snow removal for state-owned facilities.
- The Facilities components also provide preventative and routine maintenance, repairs, remodeling, and major maintenance for state-owned facilities.
- The Leasing and Property Management components administer leases at rural airports in the Northern and Central Regions of Alaska. This involves processing applications for new leases, building permits, assignments, security assignments, subleases, supplements and closures. Revenue produced by leasing rural airport lands helps offset maintenance costs at those airports.
- The Traffic Signal Management component provides maintenance and operations of all state traffic control devices in the Anchorage and Eagle River areas.

Statewide Facility Maintenance and Operations

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	12,368.5	2.0	5,317.1	17,687.6
Adjustments which will continue current level of service:				
-Central Region Facilities	-7.2	0.0	-65.0	-72.2
-Northern Region Facilities	56.7	0.0	-244.5	-187.8
-Southeast Region Facilities	-982.1	0.0	-563.9	-1,546.0
-Central Leasing & Property Mgt	-4.2	0.0	0.6	-3.6
-North. Leasing & Property Mgt	-2.4	0.0	0.2	-2.2
Proposed budget decreases:				
-Southeast Region Facilities	0.0	0.0	-1,515.3	-1,515.3
Proposed budget increases:				
-Southeast Region Facilities	0.0	0.0	2.7	2.7
FY2002 Governor	11,429.3	2.0	2,931.9	14,363.2

Component: Traffic Signal Management

Contact: K. Chris Kepler, P.E., Chief, Central Region Maintenance and Operations

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Component Mission

The mission of the Traffic Signal Management component is to maintain and operate all of the State traffic control devices in the Anchorage and Eagle River area through a contractual agreement with the Municipality of Anchorage.

Component Services Provided

The Department of Transportation and Public Facilities has 170 traffic signals within the Municipality of Anchorage. The city has 71 traffic signals. The Municipality of Anchorage maintains and operates all 241 signals out of their budget and with the funds in this component.

Component Goals and Strategies

To have a safe, reliable traffic control system to keep traffic in the Municipality of Anchorage flowing as smoothly as possible.

- Contract with the Municipality of Anchorage to provide needed maintenance of traffic signal devices in the Anchorage and Eagle River areas.

Key Component Issues for FY2001 – 2002

- The Municipality of Anchorage has said that they will shut down signals if utility cost continue to go up. The infrastructure and its operation are a major part of this component with most of it goes to fixed costs.
- A project through the Statewide Transportation Plan was completed in the summer of 2000 that changed out the traffic signal light bulbs with the new LEDs. All LEDs were converted in the Anchorage area this last summer. The Municipality of Anchorage did the project. The LEDs use less electricity, so this will help offset the funding cuts and increased utility costs.

Major Component Accomplishments for FY2000

By contracting with the Municipality of Anchorage, State traffic signals are operated in conjunction with city signals. This is more efficient and eliminates duplication of personnel, equipment, and materials.

Statutory and Regulatory Authority

- AAC 14 Public Works
- CFR 23 Highways

Traffic Signal Management

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	1,183.0	1,183.0	1,183.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,183.0	1,183.0	1,183.0
Funding Sources:			
1004 General Fund Receipts	1,183.0	1,183.0	1,183.0
Funding Totals	1,183.0	1,183.0	1,183.0

Traffic Signal Management**Proposed Changes in Levels of Service for FY2002**

No changes are included in the FY2002 budget.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,183.0	0.0	0.0	1,183.0
FY2002 Governor	1,183.0	0.0	0.0	1,183.0

Component: Central Region Facilities

Contact: James Byers, Building Maintenance Superintendent

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Component Mission

The mission of the Central Region Facilities component is to improve the quality of life for Alaskans by cost effectively providing environmentally sound and reliable public facilities.

Component Services Provided

- Provide building utilities, including electricity, sewer and water, waste disposal, heating, air conditioning and ventilation for state-owned facilities.
- Provide and procure contracts for services including janitorial, snow removal, building security, waste removal, elevator maintenance, over head crane safety inspections, and grounds maintenance.
- Provide routine scheduled and preventative maintenance and minor repair work. Routine maintenance includes servicing of heating, ventilation and air conditioning systems, lighting and electrical systems, plumbing systems, and all other mechanical systems.
- Perform or procure contracts for remodeling and repairs required by building occupants or needed to meet changing building codes and new regulations such as the Americans with Disabilities Act.
- Provide and procure contracts for major maintenance, including renewal and replacement of worn-out, inefficient and outdated building components, mechanical systems, electrical, plumbing, roofs, flooring, ceilings, windows, and window and wall covering.

Component Goals and Strategies

- To maintain and operate 202 state buildings, totaling 906,670 square feet, in the Central Region and to provide necessary support and administration of service contracts to DOT&PF and other departments.
- To provide a clean, safe, and healthy physical working environment for State employees and for the general public to use while conducting State business.
- To safeguard the State's investment in public buildings by providing adequate maintenance to prevent premature deterioration.
- To provide necessary maintenance and operations by the most productive and cost effective means available.
- To reduce energy costs and to bring State facilities into alignment with current environmental and energy saving concerns.

Key Component Issues for FY2001 – 2002

- Implementation of a computer maintenance management program will provide a much clearer picture of maintenance backlog.
- Reduced operating budgets mean a larger proportion of available funding is devoted to utilities and other building operating expenses, with fewer resources available for vital preventive and routine maintenance, resulting in accelerated deterioration and an increasing deferred maintenance backlog.
- Capital funding for major repairs, renewal and replacement of obsolescent systems in facilities is grossly inadequate to meet current needs and reduce the accumulated deferred maintenance backlog.

Major Component Accomplishments for FY2000

- Administered 41 contracts with the private sector for maintenance and operations of Central Region facilities.
- Assumed maintenance of seven newly constructed buildings, to include, general maintenance, deferred maintenance and utility costs.

- Successfully removed or retrofitted all Underground Storage Tanks that provided fuel for State vehicles and fuel for backup power generators.
- Completed the construction of a 3,200 square foot equipment storage building in Quartz Creek.

Statutory and Regulatory Authority

- AS 35 Public Buildings
- AS 36 Public Contracts
- AS 44 State Government
- AAC 17 Department of Transportation & Public Facilities
- Americans with Disabilities Act
- Resource, Conservation & Recovery Act

Central Region Facilities

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,182.6	1,279.0	1,271.8
72000 Travel	67.5	12.5	12.5
73000 Contractual	1,646.9	1,773.3	1,973.3
74000 Supplies	523.5	542.7	277.7
75000 Equipment	134.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,555.2	3,607.5	3,535.3
Funding Sources:			
1004 General Fund Receipts	2,805.2	2,833.9	2,826.7
1005 General Fund/Program Receipts	0.0	2.0	2.0
1007 Inter-Agency Receipts	706.5	662.1	662.1
1108 Statutory Designated Program Receipts	43.5	44.5	44.5
1147 Public Building Fund	0.0	65.0	0.0
Funding Totals	3,555.2	3,607.5	3,535.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	706.5	662.1	662.1	662.1	662.1
General Fund Program Receipts	51060	0.0	2.0	2.0	2.0	2.0
Statutory Designated Program Receipts	51063	43.5	44.5	44.5	44.5	44.5
Public Building Fund	51432	0.0	65.0	65.0	0.0	0.0
Restricted Total		750.0	773.6	773.6	708.6	708.6
Total Estimated Revenues		750.0	773.6	773.6	708.6	708.6

Central Region Facilities**Proposed Changes in Levels of Service for FY2002**

No change in level of service for FY2002.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	2,835.9	0.0	771.6	3,607.5
Adjustments which will continue current level of service:				
-Delete \$65.0 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-65.0	-65.0
-Year 2 Labor Costs - Net Change from FY2001	-7.2	0.0	0.0	-7.2
FY2002 Governor	2,828.7	0.0	706.6	3,535.3

Central Region Facilities

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	21	21	Annual Salaries	950,712
Part-time	0	0	COLA	21,921
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	354,101
			<i>Less 4.14% Vacancy Factor</i>	(54,934)
			Lump Sum Premium Pay	0
Totals	21	21	Total Personal Services	1,271,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	0	0	1
Administrative Manager I	1	0	0	0	1
Building Maint Supt	1	0	0	0	1
Maint Gen Sub - Journey II	2	0	0	0	2
Maint Spec Bfc Foreman	1	0	0	0	1
Maint Spec Bfc Journey I	4	0	0	1	5
Maint Spec Bfc Jrny II/Lead	2	0	0	3	5
Maint Spec Etrician Journey II	2	0	0	0	2
Maint Spec Plumb Jrny II	2	0	0	0	2
Procurement Spec I	1	0	0	0	1
Totals	17	0	0	4	21

Component: Northern Region Facilities

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Component Mission

The mission of the Northern Region Facilities component is to improve the quality of life for Alaskans by cost effectively providing environmentally sound and reliable public facilities.

Component Services Provided

- Provide building utilities, including electricity, sewer and water, waste disposal, heating, air conditioning and ventilation for state-owned facilities.
- Provide and procure contracts for services including janitorial, snow removal, building security, waste removal and elevator maintenance. Provide routine scheduled and preventative maintenance and minor repair work. Routine maintenance includes servicing of heating, ventilation and air conditioning systems, lighting and electrical systems, plumbing systems, and all other mechanical systems.
- Perform or procure contracts for remodeling and repairs required by building occupants or needed to meet changing building codes and new regulations such as the Americans with Disabilities Act.
- Provide and procure contracts for major maintenance, including renewal and replacement of worn-out, inefficient and outdated building components, mechanical systems, flooring, ceilings, windows, and window and wall coverings.

Component Goals and Strategies

To efficiently maintain and operate 386 state buildings totaling 1,244,369 square feet in the Northern Region:

- To provide necessary support and administration of contracts servicing multiple components.
- To provide a clean, safe, and healthy physical working environment for State employees and for the general public to use while conducting State business.
- To safeguard the State's investment in public buildings by providing adequate maintenance to prevent premature deterioration.
- To provide necessary maintenance and operations by the most productive and cost effective means available.
- To reduce energy costs and to bring state facilities into alignment with current environmental and energy saving concerns.

Key Component Issues for FY2001 – 2002

- Reduced operating budgets mean a larger proportion of available funding is devoted to utilities and other building operating expenses, with fewer resources available for vital preventive and routine maintenance, resulting in accelerated deterioration and an increasing deferred maintenance backlog.
- Capital funding for major repairs, renewal and replacement of obsolescent systems in facilities is grossly inadequate to meet current needs and reduce the accumulated deferred maintenance backlog.

Major Component Accomplishments for FY2000

- Administered or assisted in the administration of 111 contracts with the private sector exceeding \$3.9 million for Northern Region Maintenance and Operations.
- Continued implementation of Computerized Maintenance Management System.
- Permanently assumed maintenance of Northern Region Weigh Stations including general maintenance, deferred maintenance, utility costs, and risk management.
- Implemented energy saving projects including replacement of overhead doors, HVAC upgrades and Hydronic Heat Conversions.

Statutory and Regulatory Authority

AS 35 Public Buildings
AS 36 Public Contracts
AS 44 State Government
AAC17, Department of Transportation & Public Facilities
Americans with Disabilities Act
Resource, Conservation & Recovery Act

Northern Region Facilities

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,357.5	3,182.9	3,207.1
72000 Travel	99.3	120.9	120.9
73000 Contractual	2,221.5	2,642.7	2,622.7
74000 Supplies	1,765.2	1,813.2	1,621.2
75000 Equipment	74.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,518.2	7,759.7	7,571.9
Funding Sources:			
1002 Federal Receipts	1.2	2.0	2.0
1004 General Fund Receipts	6,184.5	5,535.0	5,591.7
1007 Inter-Agency Receipts	1,221.5	1,844.4	1,841.9
1108 Statutory Designated Program Receipts	111.0	136.3	136.3
1147 Public Building Fund	0.0	242.0	0.0
Funding Totals	7,518.2	7,759.7	7,571.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	3.5	3.6	3.6	3.6	3.6
Unrestricted Total		3.5	3.6	3.6	3.6	3.6
Restricted Revenues						
Federal Receipts	51010	1.2	2.0	1.5	2.0	2.0
Interagency Receipts	51015	1,221.5	1,844.4	1,615.2	1,841.9	1,841.9
Statutory Designated Program Receipts	51063	111.0	136.3	122.4	136.3	136.3
Public Building Fund	51432	0.0	242.0	242.0	0.0	0.0
Restricted Total		1,333.7	2,224.7	1,981.1	1,980.2	1,980.2
Total Estimated Revenues		1,337.2	2,228.3	1,984.7	1,983.8	1,983.8

Northern Region Facilities

Proposed Changes in Levels of Service for FY2002

No major changes in service anticipated in FY2002.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	5,535.0	2.0	2,222.7	7,759.7
Adjustments which will continue current level of service:				
-Transfer In \$80.0 GF from SW Maint Comp for Maintenance Stations (Birch Lake/Trims)	80.0	0.0	0.0	80.0
-Delete \$242.0 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-242.0	-242.0
-Year 2 Labor Costs - Net Change from FY2001	-23.3	0.0	-2.5	-25.8
FY2002 Governor	5,591.7	2.0	1,978.2	7,571.9

Northern Region Facilities

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	43	43	Annual Salaries	2,305,961
Part-time	7	7	COLA	58,324
Nonpermanent	0	0	Premium Pay	144,190
			Annual Benefits	864,124
			<i>Less 4.91% Vacancy Factor</i>	(165,499)
			Lump Sum Premium Pay	0
Totals	50	50	Total Personal Services	3,207,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	2	0	0	2
Administrative Manager I	0	1	0	0	1
Building Maint Manager	0	1	0	0	1
Building Mgmt Specialist	0	0	0	1	1
Enviro Services Journey II	0	0	0	4	4
Equip Operator Sub Journey I	0	0	0	1	1
Maint Gen Foreman	0	0	0	2	2
Maint Gen Journey	0	10	0	5	15
Maint Gen Lead	0	0	0	2	2
Maint Gen Sub - Journey II	0	0	0	1	1
Maint Spec Bfc Foreman	0	2	0	0	2
Maint Spec Bfc Journey I	0	2	0	5	7
Maint Spec Bfc Jrny II/Lead	0	3	0	2	5
Maint Spec Etrician Journey II	0	3	0	1	4
Maint Spec Plumb Jrny II	0	2	0	0	2
Totals	0	26	0	24	50

Component: Southeast Region Facilities

Contact: George McCurry, Building Maintenance Manager

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Component Mission

The mission of the Southeast Region Facilities component is to improve the quality of life for Alaskans by cost effectively providing environmentally sound and reliable public facilities.

Component Services Provided

- Furnish basic services and utilities, such as electrical power, water and sewerage, trash disposal, janitorial, grounds maintenance, snow removal and operation of building systems in support of tenant agency programs.
- Provide preventative and routine maintenance (using in-house and contractual resources) of all building components and systems, including electrical, plumbing, heating, ventilating and air conditioning systems, fire protection and suppression systems doors, windows, roofs, elevators, and interior and exterior finishes.
- Maintain grounds at Juneau office buildings and at the Governor's House; provide snow removal and site maintenance services at parking facilities.
- Using both in-house and consultant expertise, design, bid and administer construction of tenant build-outs, and major maintenance and upgrades of all building systems. This includes projects at some facilities maintained and operated by other State agencies.

Component Goals and Strategies

To maintain and operate 45 State-owned buildings throughout Southeastern Alaska totaling 967,300 SF floor area, including 13 office buildings, the Governor's residence, two museums, two parking structures, and highway/airport maintenance shops and utility buildings at 11 different locations.

- Using our small in-house staff to perform preventive maintenance, respond to tenant service requests and emergencies, and perform maintenance in craft areas where personnel have the most capability.
- Employing contractors for maintenance involving specialized crafts and trades (such as elevators, roofing, glazing, electrical, electronic, fire detection and suppression systems, and chillers), and for all janitorial services.
- Using contractors for virtually all project work, including partition modifications, exterior painting, major HVAC repairs, since in-house personnel are insufficient to perform this work. As much as possible, we employ local contractors and vendors to service facilities outside of Juneau and Ketchikan, to minimize travel time and expense, and to decrease response time.
- Utilizing a single position cadre to supervise grounds maintenance, including snow removal and VIP projects at the Governor's House, augmented as necessary by seasonal and on-call laborers, and contractors.
- Achieving greater energy efficiency and reducing operating costs by replacing obsolescent components and systems as capital and operating funding becomes available.
- Continuously striving to comply with ever-changing building codes, fire and life safety codes, hazardous material handling regulations, ADA accessibility standards and OSHA requirements, among others.

Key Component Issues for FY2001 – 2002

- Reduced operating budgets mean a larger proportion of available funding is devoted to utilities and other building operating expenses, with fewer resources available for vital preventive and routine maintenance, resulting in accelerated deterioration and an increasing deferred maintenance backlog.
- Capital funding for major repairs, renewal and replacement of obsolescent systems in facilities is grossly inadequate to meet current needs and reduce the accumulated deferred maintenance backlog. As examples of the magnitude of this burgeoning problem, we have five major office buildings with failing roofs, and three with defective curtain wall systems causing water infiltration into the buildings. Our largest facility, the Juneau State Office Building, has corroded galvanized steel domestic hot and cold water piping, and accretions in storm

drainage piping, requiring major replacement within a few years to forestall water leaks and potentially expensive interior damage.

Major Component Accomplishments for FY2000

- During the past year, administered 61 contracts and major work orders for construction, maintenance and janitorial projects, plus many more smaller projects.
- Recent in-house project, design, bidding and construction administration efforts included projects for closure of 21 underground storage tanks and site cleanup, installation of five replacement above-ground diesel fueling facilities, and major maintenance and rehabilitation projects at the Governor's House (2), Alaska Office Building (4), Johnson Youth Center, Juneau State Office Building (1) and at other State-owned facilities. Prepared and bid statewide elevator maintenance contract.
- Continued support for extensive tenant agency electrical LAN wiring modifications at the Juneau State Office Building, which requires certified workers to access above-ceiling areas where asbestos-containing fireproofing is present.
- Provided extensive support for seasonal holiday decorating project and other VIP activities at the Governor's House.
- Responded to incidents and provided repairs to plumbing, roof and curtain wall leaks caused by aging building systems and unaddressed deferred maintenance needs.

Statutory and Regulatory Authority

- Alaska Statutes:
 - Title 35 (Public Buildings, Works and Improvements);
 - Title 36 (Public Contracts); Title 44 (State Government)
- Alaska Administrative Code:
 - Title 14 (Public Works);
 - Title 17 (Department of Transportation and Public Facilities)
- Uniform Building Code, Uniform Mechanical Code, Uniform Fire Code, Uniform Plumbing Code and related codes as adopted by authorities having jurisdiction; ASME Safety Code for Elevators and Escalators, National Fire Protection Association standards; USC and CFRs specifying OSHA, ADA, asbestos and hazardous materials handling, clean air and water and fuel storage requirements, among a plethora relating to buildings and fixed facilities.

Southeast Region Facilities

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	995.7	1,065.4	368.7
72000 Travel	3.4	4.2	2.7
73000 Contractual	2,300.1	2,187.7	312.4
74000 Supplies	620.3	664.3	179.2
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,919.5	3,921.6	863.0
Funding Sources:			
1004 General Fund Receipts	3,613.9	1,726.1	744.0
1007 Inter-Agency Receipts	305.6	2,066.5	119.0
1147 Public Building Fund	0.0	129.0	0.0
Funding Totals	3,919.5	3,921.6	863.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	305.6	2,066.5	2,066.5	119.0	118.4
Public Building Fund	51432	0.0	129.0	129.0	0.0	0.0
Restricted Total		305.6	2,195.5	2,195.5	119.0	118.4
Total Estimated Revenues		305.6	2,195.5	2,195.5	119.0	118.4

Southeast Region Facilities

Proposed Changes in Levels of Service for FY2002

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,726.1	0.0	2,195.5	3,921.6
Adjustments which will continue current level of service:				
-Delete \$129.0 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-129.0	-129.0
-Transfer \$982.8 GF, \$432.8 I/A and 9 PFT / 5 PPT positions to DOA Facilities Maintenance	-982.8	0.0	-432.8	-1,415.6
-Year 2 Labor Costs - Net Change from FY2001	0.7	0.0	-2.1	-1.4
Proposed budget decreases:				
-Decrease of \$1,515.3 I/A Receipts in conjunction with transfer of facilities responsibility to DOA	0.0	0.0	-1,515.3	-1,515.3
Proposed budget increases:				
-Add \$2.7 in I/A to fund increases in Engineers' pay resulting from a classification study.	0.0	0.0	2.7	2.7
FY2002 Governor	744.0	0.0	119.0	863.0

Southeast Region Facilities

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	14	5	Annual Salaries	252,493
Part-time	5	0	COLA	4,944
Nonpermanent	0	0	Premium Pay	19,225
			Annual Benefits	92,467
			<i>Less 3.37% Vacancy Factor</i>	(12,429)
			Lump Sum Premium Pay	0
Totals	19	5	Total Personal Services	356,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Building Maint Manager	0	0	1	0	1
Engineering Associate	0	0	1	0	1
Maint Spec Bfc Jrny II/Lead	0	0	0	1	1
Totals	0	0	4	1	5

Component: Central Region Leasing and Property Management

Contact: Robert L. Norton, Jr., Chief of Leasing & Property Management

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Component Mission

The mission of the Central Region Leasing and Property Management component is to benefit the traveling public and Alaskan communities through sound and effective leasing and property management practices at the region's airports and harbors.

Component Services Provided

- Provides a centralized location for any individual or company who wishes to use rural airport land for private or commercial enterprise.
- Answers questions as to the availability of airport land and whether the land in question can be used for the intended purpose.
- Receives and reviews applications from individuals or companies for compliance with land title restrictions, Federal Aviation Administration construction grant assurances, and airport development plans.
- Assists in the completion of building permit applications by answering questions regarding the requirements of other agencies or directing the applicant to the particular agency in question for more detailed answers.

Component Goals and Strategies

Actively manage Central Region airport properties and harbor facilities:

- Effectively execute and administer leases and permits.
- Increase the frequency of inspections at airports to reduce the misuse and abuse of airport property.
- Actively pursue environmental concerns relative to fueling operations and hazardous substances to minimize the State's liability exposure.
- Continue to work with communities to assume ownership of their local harbors to reduce state liability and maintenance costs.

Enhance rural commerce:

- Promote developable lease properties for aviation and non-aviation businesses.
- Critically review airport improvement project plans and master plans for potential impacts to leaseholds and for the creation of new lease areas on airports.

Generate and optimize revenues:

- Assist in the rewrite of Title 17 regulations to bring lease rates closer to fair market rent and implement programs to generate new revenues.
- Advertise availability of new properties at rural airports to generate the maximum revenue possible for the state.
- Maximize revenue to offset maintenance and operations costs at rural airports.

Key Component Issues for FY2001 – 2002

- Continued delays in the implementation of the Title 17 regulation rewrite have worked to reduce lease revenues. Lease rates at 6 Central Region airports were adjusted through the 1996 and 1999 market studies. However, only the rate reductions were implemented. The rate increases cannot be implemented until the rates have been adopted through the approval of the Title 17 regulation rewrite. The approval of the Title 17 regulation rewrite would also implement new programs that will enhance revenue.
- Coordination with the Department of Environmental Conservation to address the issue of remaining underground storage tanks.

- Closely examine the regulations for and address the environmental concerns relative to fueling operations and other sources of contamination.

Major Component Accomplishments for FY2000

- Received and processed 107 applications and executed 89 new leases and permits.
- Completed major changes to 66 existing leases and permits and consented to 27 assignments.
- Reviewed, coordinated and approved 71 building permit applications.
- Closed 49 agreements.
- Inspected 18 airports.
- Reduced 90-day past due accounts to \$1,286.00 including bankruptcies, small claims actions, and collections.
- Conducted public workshops at two rural locations for pending rewrite of Title 17 regulations.
- Reviewed and coordinated on over 10 airport improvement projects.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 30 Navigation Harbors and Shipping
- AS 35 Public Buildings and Improvements
- AS 36 Procurement/Supply
- AS 44 State Government
- 17AACC40 Leasing and Property Management

Central Region Leasing and Property Management

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	501.6	525.6	531.4
72000 Travel	19.8	12.3	15.3
73000 Contractual	37.3	55.0	45.6
74000 Supplies	18.7	6.0	3.0
75000 Equipment	4.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	582.0	598.9	595.3
Funding Sources:			
1005 General Fund/Program Receipts	517.0	513.3	524.4
1007 Inter-Agency Receipts	65.0	70.3	70.9
1053 Investment Loss Trust Fund	0.0	15.3	0.0
Funding Totals	582.0	598.9	595.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
General Fund Program Receipts	51060	2.5	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	2.3	0.0	0.0	0.0	0.0
Unrestricted Total		4.8	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	65.0	70.3	70.3	70.9	81.2
General Fund Program Receipts	51060	517.0	513.3	513.3	524.4	528.6
Investment Loss Trust Fund	51393	0.0	15.3	15.3	0.0	0.0
Restricted Total		582.0	598.9	598.9	595.3	609.8
Total Estimated Revenues		586.8	598.9	598.9	595.3	609.8

Central Region Leasing and Property Management

Proposed Changes in Levels of Service for FY2002

No change in level of service for FY2002.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	528.6	0.0	70.3	598.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-4.2	0.0	0.6	-3.6
FY2002 Governor	524.4	0.0	70.9	595.3

Central Region Leasing and Property Management

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	9	9	Annual Salaries	393,794
Part-time	0	0	COLA	5,426
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	146,806
			<i>Less 2.68% Vacancy Factor</i>	(14,626)
			Lump Sum Premium Pay	0
Totals	9	9	Total Personal Services	531,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Leasing Officer II	4	0	0	0	4
Leasing Officer III	1	0	0	0	1
Leasing Officer IV	1	0	0	0	1
Totals	9	0	0	0	9

Component: Northern Region Leasing and Property Management

Contact: James H. Little, Northern Region M&O Director

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Component Mission

The mission of the Northern Region Leasing and Property Management component is to benefit the traveling public and Alaskan communities through sound and effective leasing and property management practices at the region's airports and harbors.

Component Services Provided

- Research, negotiate, write, administer, and inspect approximately 500 leases/leaseholds at 102 airports in the Northern region.
- Review applications for compliance with land title restrictions, Federal Aviation Administration grant assurances, airport development plans and operations criteria. Many applications are unique in nature and require development of precedent-setting documents.
- Facilitate communication and coordination between various sections in the Department of Transportation and Public Facilities and other state and federal agencies regarding property management issues.
- In addition to land use contracts, coordinate, review, and provide final approval in the Northern Region for building permit applications, appraisals, assignments of interest, security assignments, and environmental contamination site assessment and remediation plans.

Component Goals and Strategies

Proactively manage Northern Region airport properties:

- Effectively negotiate and administer leases and permits.
- Increase the frequency of inspections at airports to reduce the misuse and contamination of airport properties.
- Actively enforce uniform methods for handling trespasses and illegal use of airport properties.

Enhance rural commerce:

- Encourage development of aviation and related businesses.
- Critically review airport improvement project plans and master plans for potential impacts to leaseholds and for creation of new leasable areas on airports.
- Regularly update land occupancy drawings for accuracy and availability of airport land.

Generate and optimize revenues:

- Expeditiously process pending lease applications and building permits.
- Bring lease rates closer to fair market rent and implement programs to generate new revenues.
- Ensure revenues due the State are assessed and paid in a timely manner.

Key Component Issues for FY2001 – 2002

- Lease rate increases indicated by 1996 and 1999 market studies will be implemented when revised Title 17 regulations are adopted. The regulations are also needed to implement new programs that will enhance revenue.
- Closely examine regulation for and address environmental concerns relative to fueling operations and other sources of contamination.

Major Component Accomplishments for FY2000

- Processed 60 airport land use applications and made major changes to 36 existing contracts; processed 48 building permit applications.

- Executed 51 new contracts and consented to 42 lease assignments and subleases.
- Closed 53 agreements.
- Inspected 29 airports.
- Completely overhauled 17 land occupancy drawings.
- Reduced the 90-day past due accounts to less than \$1.0.
- Worked with lessees to reduce and remediate contamination on lease lots.
- Worked with federal and state agencies to lease land for village fuel tank farms.
- Worked with FAA to create contracts for joint-use facilities with DOT/PF.

Statutory and Regulatory Authority

AS 02-Aeronautics
AS 35 Public Buildings and Improvements
AS 35.05.020-Administration
AS 36.30-Procurement/Supply
AS 44-State Government
Chapter 36/SLA 90
17 AAC 40-Leasing and Property Management

Northern Region Leasing and Property Management

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	498.4	544.0	541.8
72000 Travel	10.9	17.5	17.5
73000 Contractual	56.6	48.2	48.2
74000 Supplies	21.5	7.2	7.2
75000 Equipment	3.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	590.4	616.9	614.7
Funding Sources:			
1005 General Fund/Program Receipts	545.3	546.0	557.5
1007 Inter-Agency Receipts	45.1	57.0	57.2
1053 Investment Loss Trust Fund	0.0	13.9	0.0
Funding Totals	590.4	616.9	614.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
General Fund Program Receipts	51060	0.6	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	1.8	1.4	1.4	1.4	1.4
Unrestricted Total		2.4	1.4	1.4	1.4	1.4
Restricted Revenues						
Interagency Receipts	51015	45.1	57.0	57.0	57.2	57.2
General Fund Program Receipts	51060	545.3	546.0	546.0	557.5	557.5
Investment Loss Trust Fund	51393	0.0	13.9	13.9	0.0	0.0
Restricted Total		590.4	616.9	616.9	614.7	614.7
Total Estimated Revenues		592.8	618.3	618.3	616.1	616.1

Northern Region Leasing and Property Management**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for FY02.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	559.9	0.0	57.0	616.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-2.4	0.0	0.2	-2.2
FY2002 Governor	557.5	0.0	57.2	614.7

Northern Region Leasing and Property Management

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	8	8	Annual Salaries	373,924
Part-time	0	0	COLA	5,602
Nonpermanent	0	0	Premium Pay	22,492
			Annual Benefits	141,762
			<i>Less 0.36% Vacancy Factor</i>	(1,980)
			Lump Sum Premium Pay	0
Totals	8	8	Total Personal Services	541,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	1	0	0	1
Administrative Clerk III	0	1	0	0	1
Leasing Officer II	0	4	0	0	4
Leasing Officer III	0	1	0	0	1
Leasing Officer IV	0	1	0	0	1
Totals	0	8	0	0	8

State Equipment Fleet Budget Request Unit

Contact: Boyd J. Brownfield, Deputy Commissioner

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BRU Mission

The mission of the State Equipment Fleet is to allocate, maintain, and manage state-owned vehicles, equipment, and attachments for safe and appropriate use.

BRU Services Provided

- Provide regular maintenance and minor repair of equipment, including lubrication, oil filter changes, tune-ups, safety inspections, hydraulic fluid changes, window repair, brake adjustments, lamp and drive belt replacement and tire repairs.
- Provide unscheduled maintenance and major repairs, including major engine and drive component rebuilds, hydraulic and electrical system repairs, body repairs, and defroster, heating and cooling system repairs.
- Provide parts, supplies, and expediting service to efficiently maintain and repair equipment.
- Identify equipment for replacement and coordinate with SEF Headquarters to develop equipment specifications required to procure new vehicles and attachments.

BRU Goals and Strategies

Provide State agencies with vehicles and other mobile equipment and attachments and minimize equipment downtime to enable State agencies to efficiently carry out their missions.

- Procure and replace vehicles and other mobile equipment in the most cost-efficient manner to minimize costs to users.
- Use the Equipment Management System (EMS) to track vehicle history, assignment, operating costs and service records.
- Access the most current repair and operating manuals on line through Internet web sites and CD based repair manuals.
- Provide user agencies with a dependable rental pool for short term needs.
- Maintain a cost efficient procurement program for parts and other expendables.

Key BRU Issues for FY2001 – 2002

- The State Equipment Fleet (SEF) operates 44 shops and has more than 150 employees that provide general and preventative maintenance and all parts supply. There are approximately 7,600 vehicles accounted for in the fleet information system, with 4,800 vehicles comprised of light duty, heavy duty and attachments under SEF management. The Department has under contract a private fleet management consulting firm that is doing a broad review and a detailed performance and productivity evaluation of the delivery of fleet services. By the first of January 2001, an in-depth status report on the management and maintenance of the State's fleet and prioritized list of changes that need to be made will be available from the contractor.
- Waste management - identify waste streams to reduce hazardous waste in our shops.
- Standardization of fleet equipment - provide for commonality of parts and repair procedures.
- Equipment Management System (EMS) - train on software to more accurately track vehicle costs, usage, and replacement.
- Increase preventative maintenance efforts to reduce more expensive repair costs on vehicles.
- Identify technical training requirements and programs at the local level to increase cost efficiency.

Major BRU Accomplishments for FY2000

- Received approximately 431 vehicles, equipment and attachments in fiscal year 2000; evaluated for compliance to bid specifications, and assigned to appropriate agencies.
- Disposed of 337 aging or excess vehicles, equipment and attachments.

Key Performance Measures for FY2002

Measure: 80% of the Fleet wet rentals are returned to the division as scheduled for preventive maintenance on or before June 30, 2002.

(Developed jointly with Legislature in FY2001.)

Current Status:

Currently State Equipment Fleet is tracking preventive maintenance activities. So far this fiscal year, the regions are experiencing from 42 percent to 85 percent compliance with preventive maintenance schedules.

Benchmark:

No benchmark has yet been established for Alaska. DMG Maximus, a nationally recognized fleet management consulting firm, is currently reviewing the Department's fleet management. Part of their final report to the Department will include appropriate performance targets.

Background and Strategies:

Preventive Maintenance (PM) is a critical aspect of efficient fleet management. Regularly scheduled service and inspection of vehicles and equipment is the cornerstone of maintaining fleet safety, maintaining maintenance and operation integrity, and of controlling maintenance costs. The main components of a preventive maintenance service program are regularly pre-determined inspections including lubrication and service. Adherence to these components will help extend machine service life, improve availability and reliability, and reduce major component repair and replacement expenses.

All SEF foremen and superintendents are provided monthly updates for those vehicles that are due or are overdue for preventive maintenance.

Barriers to reaching or surpassing this measure include:

- The failure of the user agency to bring the vehicle in for preventive maintenance when requested by State Equipment Fleet,
- The inability of the user agency to bring the vehicle in if it is being used during the State's limited construction season. This can be alleviated by scheduling non-critical preventive maintenance at the end of the construction season or during the winter months when the vehicle is not in use, and
- Earlier this year 1,000 attachments (plows, snow wings, etc.) were added to the PM schedule. Because of this large increase in items, it will take at least a year to get all of their PMs current.

Measure: Average down time for light duty, actively used equipment in urban areas.

(Developed jointly with Legislature in FY2001.)

Current Status:

State Equipment Fleet is beginning to track downtime for light duty vehicles in urban areas. SEF Headquarters has developed a computer program to do that.

Benchmark:

No benchmark has yet been established. DMG Maximus, a nationally recognized fleet management consulting firm, is currently reviewing the Department's fleet management. Part of their final report to the Department will include appropriate performance targets including recommendations on information systems that will support the performance measurement program and sources of benchmarking information.

Background and Strategies:

SEF is responsible for the overall management of the state's vehicle and equipment resources. It is a service organization providing equipment support services to all state agencies. Equipment can't perform its function when it is down for any reason. Fleets must manage this parameter. Downtime of a vehicle can be affected by staffing levels, parts availability, and adequate staff training. Education of staff is essential to assure that data entry for opening and closing dates of work orders are consistent throughout SEF.

Measure: Number of locations where SEF rental rates are equal to or less than the rental rates published in industry guide books.

(Developed jointly with Legislature in FY2001.)

Current Status:

SEF has completed the comparison of the FY2001 rental rates with the current Rental Rate Blue Book for Construction Equipment published by Primedia Directories. A total of 862 vehicles in 76 equipment classes were included in the study. The types of vehicles were light duty, medium and heavy trucks, heavy equipment, support equipment, trailers, and attachments. In all regions SEF rates were lower than those in the Blue Book were. The SEF rates ranged from less than 10 percent to 86 percent of the Blue Book ones. The statewide average for all SEF rates in the study was 39 percent.

Benchmark:

SEF rates should be lower than published rates.

Background and Strategies:

Service and rate competitiveness is central to the measurement of SEF's performance. If SEF service or rates are not competitive, the customer agency should be allowed to seek alternative and documented solutions elsewhere.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> 80% of the Fleet wet rentals are returned to the division as scheduled for preventive maintenance on or before June 30, 2001. Average down time for light duty, actively used equipment in urban areas. Number of locations where SEF rental rates are equal to or less than the rental rates published in industry guide books. 		X X	X		

State Equipment Fleet
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Central State Equipment Fleet	0.0	0.0	7,283.8	7,283.8	0.0	0.0	7,590.4	7,590.4	0.0	0.0	7,559.9	7,559.9
Northern State Equipment Fleet	0.0	0.0	9,061.1	9,061.1	0.0	0.0	10,328.0	10,328.0	0.0	0.0	10,287.7	10,287.7
Southeast State Equipmnt Fleet	0.0	0.0	1,487.3	1,487.3	0.0	0.0	1,730.7	1,730.7	0.0	0.0	1,721.1	1,721.1
Totals	0.0	0.0	17,832.2	17,832.2	0.0	0.0	19,649.1	19,649.1	0.0	0.0	19,568.7	19,568.7

State Equipment Fleet

Proposed Changes in Levels of Service for FY2002

None.

State Equipment Fleet

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	19,649.1	19,649.1
Adjustments which will continue current level of service:				
-Central State Equipment Fleet	0.0	0.0	-30.5	-30.5
-Northern State Equipment Fleet	0.0	0.0	-40.3	-40.3
-Southeast State Equipmnt Fleet	0.0	0.0	-9.6	-9.6
FY2002 Governor	0.0	0.0	19,568.7	19,568.7

Component: Central Region State Equipment Fleet

Contact: Chris Kepler, Maintenance Chief

Tel: (907) 269-0767 **Fax:** (907) 248-1573 **E-mail:** Chris_Kepler@dot.state.ak.us

Component Mission

The mission of the Statewide State Equipment Fleet is to allocate, maintain, and manage state-owned vehicles, equipment, and attachments for safe and appropriate use.

Component Services Provided

- Provide regular maintenance and minor repair of 2,138 pieces of equipment, at 101 locations, including lubrication, oil filter changes, tune-up, safety inspections, hydraulic fluid changes, window repair, brake adjustments, lamp and drive belt replacement and tire repairs.
- Provide unscheduled maintenance and major repairs, including major engine and drive component rebuilds, hydraulic and electrical system repairs, body repairs, and defroster, heating and cooling system repairs.
- Provide parts, supplies and expediting service to efficiently maintain and repair equipment.
- Identify equipment for replacement and coordinate with SEF Headquarters to develop equipment specifications for procurement of new vehicles and attachments.
- Provide vehicle inventory and cost reports to user agencies, research discrepancies in billing and assignment of vehicles, and provide bulk fuel billing and tracking services, if requested by the customer.

Component Goals and Strategies

Provide State agencies with essential vehicles and other mobile equipment and attachments and minimize equipment downtime to enable State agencies to efficiently carry out their missions.

- Procure, replace and modify vehicles and other mobile equipment in the most cost-efficient manner to minimize cost to users.
- Use and maintain Equipment Management System (EMS) to track vehicle history, assignment, operating costs and service records.
- Provide routine maintenance and repairs of vehicles and equipment.
- Maintain procurement programs for equipment, parts and other expendables.
- Coordinate with user agencies to deliver parts and equipment to shops for repairs and maintenance.
- Provide user agencies with a dependable rental pool for short term needs.

Key Component Issues for FY2001 – 2002

- Waste management - identify waste streams to reduce hazardous waste in our shops.
- Training - look for training methods and availability that provide technical training locally at a reasonable cost.
- Standardization of fleet equipment - provide for commonality of parts and repair procedures.
- Equipment Management System (EMS) - implement and train on new software to more accurately track vehicle costs, usage and replacement.
- Parts delivery and return - coordinate with vendors and users to deliver parts to remote camps.

Major Component Accomplishments for FY2000

- Received 319 new vehicles, equipment and attachments into the region in fiscal year 2000; evaluated for compliance to bid specifications and assigned to appropriate agencies.
- Provided maintenance for 2,138 wet rental vehicles and attachments.
- Moved the Soldotna repair facility to a new building.

Statutory and Regulatory Authority

- AS 44.68.210 - 44.68.250 State Government Approval of Rates
- AS 02 Aeronautics
- AS 19 Highways
- AS 35 Public Contracts
- AAC 17 DOT&PF

Central Region State Equipment Fleet

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,037.1	4,304.3	4,273.8
72000 Travel	73.2	58.0	73.5
73000 Contractual	929.0	1,273.9	958.4
74000 Supplies	2,220.9	1,894.2	2,194.2
75000 Equipment	23.6	60.0	60.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	7,283.8	7,590.4	7,559.9
Funding Sources:			
1007 Inter-Agency Receipts	16.3	0.0	0.0
1026 Highway Working Capital Fund	7,267.5	7,590.4	7,559.9
Funding Totals	7,283.8	7,590.4	7,559.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	7,491.0	7,500.0	7,500.0	7,500.0	7,500.0
Unrestricted Total		7,491.0	7,500.0	7,500.0	7,500.0	7,500.0
Restricted Revenues						
Interagency Receipts	51015	16.3	0.0	0.0	0.0	0.0
Restricted Total		16.3	0.0	0.0	0.0	0.0
Total Estimated Revenues		7,507.3	7,500.0	7,500.0	7,500.0	7,500.0

Central Region State Equipment Fleet**Proposed Changes in Levels of Service for FY2002**

· No change in level of service for FY2002.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	7,590.4	7,590.4
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-30.5	-30.5
FY2002 Governor	0.0	0.0	7,559.9	7,559.9

Central Region State Equipment Fleet

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	70	70	Annual Salaries	3,117,083
Part-time	1	1	COLA	78,055
Nonpermanent	0	0	Premium Pay	175,483
			Annual Benefits	1,210,946
			Less 6.72% Vacancy Factor	(307,767)
			Lump Sum Premium Pay	0
Totals	71	71	Total Personal Services	4,273,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	2	0	0	0	2
Administrative Assistant	1	0	0	0	1
Administrative Clerk II	2	0	0	0	2
Dist Equip Manager	1	0	0	0	1
Dist Equipment Supt	2	0	0	0	2
Equip Operations Analyst	1	0	0	0	1
Equip Operator Jrny III/Lead	0	0	0	1	1
Mech Auto Foreman I	0	0	0	1	1
Mech Auto Foreman II	2	0	0	1	3
Mech Auto Journey	1	0	0	0	1
Mech Auto Lead/Spec	17	0	0	26	43
Mech Auto Sub Journey	1	0	0	4	5
Stock & Parts Svcs Journey II	2	0	0	2	4
Stock & Parts Svcs Lead	1	0	0	0	1
Stock & Parts Svcs Sub Journey	2	0	0	1	3
Totals	35	0	0	36	71

Component: Northern Region State Equipment Fleet

Contact: James H. Little, Northern Region M&O Director

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Component Mission

The mission of the State Equipment Fleet is to allocate, maintain, and manage state-owned vehicles, equipment, and attachments for safe and appropriate use.

Component Services Provided

- Provide regular maintenance and minor repair of 2,722 pieces of equipment, including lubrication, oil filter changes, tune-ups, safety inspections, hydraulic fluid changes, window repair, brake adjustments, lamp and drive belt replacement and tire repairs.
- Provide unscheduled maintenance and major repairs, including major engine and drive component rebuilds, hydraulic and electrical system repairs, body repairs, and defroster, heating and cooling system repairs.
- Provide parts, supplies, and expediting service to efficiently maintain and repair equipment.
- Identify equipment for replacement and coordinate with SEF Headquarters to develop equipment specifications required to procure new vehicles and attachments.
- Provide vehicle inventory and cost reports to user agencies, research discrepancies in billing and assignment of vehicles, and provide bulk fuel billing and tracking services.

Component Goals and Strategies

Provide State agencies with vehicles and other mobile equipment and attachments and minimize equipment downtime to enable State agencies to efficiently carry out their missions.

- Implement the approved recommendations made by the DMG Maximus review.
- Procure, replace, and modify vehicles and other mobile equipment in the most cost-efficient manner to minimize costs to users.
- Use and maintain the Equipment Management System (EMS) to track vehicle history, assignment, operating costs and service records.
- Act as an authorized service center for State-owned General Motors (GM) vehicles, allowing in-house warranty work.
- Access the most current repair and operating manuals on line through internet web sites and CD based repair manuals.
- Coordinate with user agencies to deliver parts and equipment to shops for repairs and maintenance.
- Provide user agencies with a dependable rental pool for short term needs.

Key Component Issues for FY2001 – 2002

- Waste management - identify waste streams to reduce hazardous waste in our shops.
- Training - look for training methods and availability that provide technical training locally at a reasonable cost.
- Standardization of fleet equipment - provide for commonality of parts and repair procedures.
- Equipment Management System (EMS) - implement and train on new software to more accurately track vehicle costs, usage, and replacement.
- Parts delivery and return - coordinate with users to deliver parts to remote camps.

Major Component Accomplishments for FY2000

- Decreased total operating costs by turning in camp service trucks, not filling vacancies, reducing travel costs, and increasing service intervals for preventative maintenance on light and heavy duty vehicles to reduce rates to users.
- Received 184 new vehicles, equipment and attachments into the region in fiscal year 2000; evaluated for compliance to bid specifications, and assigned to appropriate agencies.

- Northern Region maintains 2,846 vehicles.

Statutory and Regulatory Authority

AS 44.68.210 through 44.68.250 - State Government, Approval of Rates

AS 02 - Aeronautics

AS 19 - Highways

AS 35 - Public Contracts

AAC 17 - Department of Transportation & Public Facilities

Northern Region State Equipment Fleet

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,297.7	5,884.1	5,843.8
72000 Travel	133.3	162.0	162.0
73000 Contractual	1,241.8	1,346.0	1,346.0
74000 Supplies	2,284.5	2,887.9	2,887.9
75000 Equipment	103.8	48.0	48.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,061.1	10,328.0	10,287.7
Funding Sources:			
1026 Highway Working Capital Fund	9,061.1	10,328.0	10,287.7
Funding Totals	9,061.1	10,328.0	10,287.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	9,947.6	9,929.5	10,129.5	10,452.4	10,452.4
Unrestricted Total		9,947.6	9,929.5	10,129.5	10,452.4	10,452.4
Restricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		9,947.6	9,929.5	10,129.5	10,452.4	10,452.4

Northern Region State Equipment Fleet**Proposed Changes in Levels of Service for FY2002**

· No significant changes in service for FY2002.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	10,328.0	10,328.0
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-40.3	-40.3
FY2002 Governor	0.0	0.0	10,287.7	10,287.7

Northern Region State Equipment Fleet

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	84	84	Annual Salaries	4,069,180
Part-time	2	2	COLA	105,881
Nonpermanent	0	0	Premium Pay	361,580
			Annual Benefits	1,557,823
			<i>Less 4.11% Vacancy Factor</i>	(250,664)
			Lump Sum Premium Pay	0
Totals	86	86	Total Personal Services	5,843,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	1	0	0	1
Administrative Assistant	0	0	0	1	1
Administrative Clerk II	0	1	0	1	2
Administrative Clerk III	0	1	0	0	1
Administrative Manager I	0	1	0	0	1
Dist Equip Manager	0	1	0	0	1
Dist Equipment Supt	0	2	0	2	4
Equip Operator Jrny III/Lead	0	0	0	3	3
Mech Auto Foreman I	0	0	0	1	1
Mech Auto Foreman II	0	2	0	3	5
Mech Auto Journey	0	5	0	2	7
Mech Auto Lead/Spec	0	10	0	36	46
Mech Auto Sub Journey	0	2	0	2	4
Stock & Parts Svcs Journey II	0	4	0	3	7
Stock & Parts Svcs Lead	0	1	0	0	1
Stock & Parts Svcs Sub Journey	0	1	0	0	1
Totals	0	32	0	54	86

Component: Southeast Region State Equipment Fleet

Contact: Greg Patz, Transportation Chief

Tel: (907) 465-1784 **Fax:** (907) 465-2021 **E-mail:** Greg_Patz@dot.state.ak.us

Component Mission

To maintain and manage state-owned vehicles, equipment and attachments for safe and appropriate use.

Component Services Provided

Provide routine maintenance and repairs of vehicles and equipment, including lubrication, oil and hydraulic fluid changes, tune-ups, cooling system inspections, safety inspections, window repairs, brake adjustments, lamp and drive belt replacements and tire repairs. Provide replacement of wearing parts such as tires, crawler tracks, brakes and hydraulic lines. Provide major maintenance and repairs, including major engine and drive component rebuilds, hydraulic and electrical system repairs, body and frame repairs, and heater, defroster and cooling system repairs.

Maintain management systems for vehicles and parts, including servicing and replacement schedules, parts and equipment inventories and operating cost records. Maintain procurement programs for equipment, parts and other expendables. Develop procurement specifications and obtain bids for equipment and supplier contracts. Maintain rental pool vehicles for client use. Work with Headquarters State Equipment Fleet (SEF) to maximize revenue received for excess vehicles sold by auction.

Component Goals and Strategies

Provide State agencies with essential vehicles and other mobile equipment and attachments and minimize equipment downtime to enable State agencies to efficiently carry out their missions.

- Procure, replace and modify vehicles and other mobile equipment in the most cost-efficient manner to minimize costs to users.
- Utilize and maintain Equipment Management System (EMS) to track vehicle history, assignment, operating costs and service records.
- Provide routine maintenance and repairs of vehicles and equipment.
- Maintain procurement programs for equipment, parts and other expendables.
- Coordinate with user agencies to deliver parts and equipment to shops for repairs and maintenance.
- Provide user agencies with a dependable rental pool for short term needs.

Key Component Issues for FY2001 – 2002

- Equipment replacement: Explore avenues to replace critical highway maintenance equipment that has exceeded its useful life and has not accumulated replacement monies. Incrementally upgrade airport maintenance equipment by identifying high priority equipment for FAA funding.
- Improve capabilities of mechanics by providing technical training to update skills.
- Improve status of preventative maintenance services by ensuring the most critical equipment receives scheduled services on time and seeking ways to increase productivity.

Major Component Accomplishments for FY2000

- Placed three new major pieces of equipment in service: ARFF truck at Gustavus Airport, urea truck at Yakutat Airport, and runway sweeper at Yakutat Airport.
- Converted Skagway maintenance station from dry (no SEF maintenance service) to wet (SEF maintenance), providing improved equipment maintenance service with expected cost reduction.
- Waste management: Installed new oil filter crusher at Juneau maintenance station and new cleaning units with biodegradable solvents at Juneau and Skagway stations.

· Surveyed unassigned vehicles and sold excess vehicles. Held two auctions; sold approximately 50 vehicles. Proceeds returned to client agencies.

Statutory and Regulatory Authority

- AS 02
- AS 19
- AS 35
- AS 44
- AAC 17

Southeast Region State Equipment Fleet

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	881.8	1,011.4	1,001.8
72000 Travel	3.3	10.6	10.6
73000 Contractual	161.5	180.3	180.3
74000 Supplies	440.5	528.4	528.4
75000 Equipment	0.2	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,487.3	1,730.7	1,721.1
Funding Sources:			
1007 Inter-Agency Receipts	209.0	0.0	0.0
1026 Highway Working Capital Fund	1,278.3	1,730.7	1,721.1
Funding Totals	1,487.3	1,730.7	1,721.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	1,477.6	1,840.4	1,840.4	1,840.4	1,840.4
Unrestricted Total		1,477.6	1,840.4	1,840.4	1,840.4	1,840.4
Restricted Revenues						
Interagency Receipts	51015	209.0	0.0	0.0	0.0	0.0
Restricted Total		209.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		1,686.6	1,840.4	1,840.4	1,840.4	1,840.4

Southeast Region State Equipment Fleet**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for the FY02 budget.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,730.7	1,730.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-9.6	-9.6
FY2002 Governor	0.0	0.0	1,721.1	1,721.1

Southeast Region State Equipment Fleet

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	16	16	Annual Salaries	705,941
Part-time	0	0	COLA	17,802
Nonpermanent	0	0	Premium Pay	37,967
			Annual Benefits	274,107
			Less 3.28% Vacancy Factor	(34,017)
			Lump Sum Premium Pay	0
Totals	16	16	Total Personal Services	1,001,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Dist Equipment Supt	0	0	1	0	1
Equip Operator Jrny III/Lead	0	0	0	2	2
Mech Auto Foreman II	0	0	1	0	1
Mech Auto Lead/Spec	0	0	5	4	9
Stock & Parts Svcs Journey I	0	0	1	0	1
Stock & Parts Svcs Journey II	0	0	1	0	1
Totals	0	0	10	6	16

Measurement Standards & Comm Vehicle Enforcement Budget Request Unit

Contact: Aves D. Thompson, Director

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BRU Mission

The mission of the Division of Measurement Standards and Commercial Vehicle Enforcement is to protect the traveling public, preserve the state's transportation infrastructure, and protect consumers' interests in weight and measurement transactions.

BRU Services Provided

- Commercial Vehicle Size, Weight and Safety program
- Weights and Measures program
- Metrology Laboratory

BRU Goals and Strategies

To provide protection for the motoring public;
To provide equity in the marketplace by creating a level playing field;
Maintain confidence in the accuracy of commercial marketplace measurements; &
To protect the State's investment in infrastructures.

Key BRU Issues for FY2001 – 2002

see component

Major BRU Accomplishments for FY2000

see component

Key Performance Measures for FY2002

Measure: Commercial vehicle safety inspections per full-time equivalent employee of the division.

(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000, actual performance was 145.54 inspections per full-time-equivalent employee of the division compared to 109.81 per full-time-equivalent employee in FY99. The Division completed 4,512 inspections during FY2000. From 7/1/00 through 10/15/00, the division has completed 1,511 inspections.

Benchmark:

To date, there is no established national standard for this performance measure, although, the Department's goal is to reach 5,000 inspections per year.

Background and Strategies:

The division anticipates further efficiencies through streamlining the inspection process by implementing electronic inspection reporting at the field level. Two laptops were deployed in September to test this new electronic reporting system. During FY00 31 employees were trained in the North American Standards driver/vehicle safety inspection training and 27 employees attended training for Cargo Tank and Hazardous Materials. This training was conducted over an eight to ten week period covering Alaska statewide and included local police departments and State Troopers.

Measure: Weighing and measuring device inspections conducted per full-time equivalent.

(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000 there were a total of 14,813 weighing and measuring devices inspected for a total of 1,481 inspections conducted per full-time-equivalent employee of the division compared to 1,397 inspections conducted per full-time-equivalent employee in FY99.

Benchmark:

To date, there is no established national standard for this performance measure. Although, the Department's goal is to maintain a level of 15,000 inspections per year based upon a 0% vacancy factor.

Background and Strategies:

The predominant factor influencing this measure is the number of available inspection hours. We expect to enhance our productivity by utilizing a new Weights & Measures software program, reducing the need for redundant data entry. This productivity enhancement should enable us to achieve 1,500 inspections per full-time-equivalent employee of the division.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• Increase driver and vehicle safety inspections to 3,600 per year.					X
• Maintain number of size, weight, safety and permit violations at no more than 325 per year.					X
• Commercial vehicle safety inspections per full-time equivalent employee of the division.		X			
• Weighing and measuring device inspections conducted per full-time equivalent.		X			

Measurement Standards & Comm Vehicle Enforcement

BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Measurement Standards	3,404.3	0.0	397.9	3,802.2	2,023.2	0.0	2,164.1	4,187.3	2,005.0	0.0	2,629.5	4,634.5
DOT State Facilities Rent	0.0	0.0	0.0	0.0	11.4	0.0	0.0	11.4	11.4	0.0	0.0	11.4
Totals	3,404.3	0.0	397.9	3,802.2	2,034.6	0.0	2,164.1	4,198.7	2,016.4	0.0	2,629.5	4,645.9

Measurement Standards & Comm Vehicle Enforcement**Proposed Changes in Levels of Service for FY2002**

The Division proposes changes in the level of service by:

- improving commercial vehicle safety compliance by performing compliance reviews at carrier's place of business.
- participating in measurement accuracy assurance for on-shore fish processors engaged in CDQ activities.

Measurement Standards & Comm Vehicle Enforcement**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	2,034.6	0.0	2,164.1	4,198.7
Adjustments which will continue current level of service:				
-Measurement Standards	-18.2	0.0	23.7	5.5
Proposed budget increases:				
-Measurement Standards	0.0	0.0	441.7	441.7
FY2002 Governor	2,016.4	0.0	2,629.5	4,645.9

Component: Measurement Standards & Commercial Vehicle Enforcement

Contact: Aves D. Thompson, Director

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Component Mission

The mission of the Division of Measurement Standards and Commercial Vehicle Enforcement is to provide public protection and preservation of the state's transportation infrastructure by enforcing federal and state statutory and regulatory requirements in the truck size, weight and safety enforcement program, and the weights and measures program.

Component Services Provided

Size, Weight and Safety:

- Oversize/Overweight CMV Permits - Issues oversize/overweight permits. A permit specifies the routes and conditions under which vehicles or loads that exceed legal dimensions and weight limitations set by statute and regulation may move on the state highway system. Danger and inconvenience to the travelling public is minimized and potential damage to the highway structures and bridges is reduced.
- Weigh Stations - Operates ten-fixed weigh stations at key locations across the state. Vehicles are weighed and inspected, the objectives of which are to minimize non compliant commercial vehicle operators by ensuring that drivers and vehicles meet federal and state operating requirements and operate in a safe and responsible manner, as well as within applicable size and weight permit limitations.
- Mobile Units - Performs roadside CMV inspections using mobile inspection teams. The key objective is to provide size, weight and safety inspections at random roadside locations throughout the state.
- CMV Safety Training and Crash inspection - Provide training and coordination of secondary size, weight and safety enforcement activity to other state and local enforcement agencies. As requested, perform vehicle inspections at CMV crashes.
- CVE Outreach - Provide on-site training in CV safety and enforcement for local police departments, Alaska State Troopers, and CV operators, mechanics and other management and support personnel.

Weights and Measures:

- Package testing program - Tests prepackaged commodities at the wholesale and retail level. This function protects both consumers and merchants to ensure that the stated net weight or volume is accurate.
- Scales testing program - Inspect, test and certify the accuracy of scales used in commerce within the state. This includes scales used in the fishing, construction, warehousing and freight industries, as well as scales in retail stores. This function protects both consumers and merchants by ensuring that scales do not overstate or understate actual product being measured. Also inspect at-sea fish processor scales through a contractual agreement with the U.S. Department of Commerce, National Marine Fisheries Service for scales used in the Bering Sea Pollock fisheries.
- Scanner testing program - Tests the accuracy scanners used at retail points of sale to ensure proper pricing of products. This function protects both consumers and merchants by ensuring that scanners do not overcharge or undercharge products available for sale.
- Petroleum testing program - Inspect, test and certify the accuracy of a variety of fuel meters used in commerce within the state. This function protects both consumers and merchants by ensuring that meters do not overstate or understate the volume of fuel being sold.

Metrology Lab:

Provides testing, calibration and certification of standards for mass, length, volume and speed detection to federal, state and local government organizations as well as to the private sector.

- Mass measurement - Test and calibrate mass standards up to 1000 lbs. The laboratory evaluates and adjusts test weights used by state weights and measures inspectors for field testing in the scale-testing program. The standards used by the state weights and measures inspectors must be tested and certified on an annual basis as prescribed by Alaska statutes. Mass measurement services are also provided for industry and other government entities.
- Length measurement - Test and calibrate length standards. Provide testing and calibration of graduated tapes up to 100 feet in length.

- Volumetric measurement - Test and calibrate test volumes up to 1500 gallons. The laboratory evaluates and adjusts test measures and provers used by state weights and measures inspectors for field testing in the petroleum testing program. The standards used by the state weights and measures inspectors must be tested and certified on an annual basis as prescribed by Alaska Statutes. Volumetric testing services are also conducted for industry and other government entities.
- Speed Detection Unit Testing - Test speed detection units (radar guns) used in law enforcement. Testing includes evaluation of tuning forks used with the device, as well as testing for correct operation of the device itself. Services are provided for federal, state and local law enforcement organizations.

Component Goals and Strategies

To provide protection for the motoring public:

- Maintain and upgrade weigh station and truck inspection enforcement facilities through performing deferred maintenance.
- Implement initiatives as addressed in the Intelligent Transportation System/Commercial Vehicle Operations (ITS/CVO) Business Plan for Alaska.
- Increase the number of permitted commercial motor vehicle (CMV) moves of overweight/oversize loads, by making the application process easier and more accessible through automation.
- Promote safe and efficient movement of CMV traffic on the state highway system.

To provide equity in the marketplace by creating a level playing field:

- Increase the hours of operation for the weigh stations so all non-compliant CMV's and operators have the same probability of being inspected.
- Increase CMV safety inspections through contracting with local and regional law enforcement agencies.
- Replace/enhance the Weights and Measures information system.
- Replace/upgrade Weights and Measures vehicles and test equipment.
- Provide precision measurement services to government and industry.
- Maintain confidence in the accuracy of commercial marketplace measurements.

To protect the State's investment in infrastructures:

- Regulate the incidence of oversize and overweight vehicle loads in order to extend the functional life of the states highway structure and bridges.
- Pursue long term funding alternatives for the CMV size, weight and safety program.

Key Component Issues for FY2001 – 2002

- The Division will continue to implement the projects identified in the Alaska ITS/CVO Business Plan, as accepted by the Federal Highway Administration (FHWA). A key element of this new automation program is to design and construct the systems needed to meet Commercial Vehicle Information Systems and Networks (CVISN) Level 1 deployment. Most of the projects will be developed through professional service agreements.
- In the interest of reducing its dependency on general fund revenues, the division increased the weight and measurement device registration fees in FY01. The fee structure for this program has remained unchanged since its inception in 1991. It is estimated that fees would need to be increased by approximately two-thirds in order to achieve this goal. The division proposes a two-year phase in for this increase. FY 01 would implement half of the increase, with FY03 implementing the balance of the increase.
- Additional monies will be available through the US Department of Transportation, Federal Motor Carrier Safety Administration for increased Commercial Vehicle Enforcement activity. This funding will result from national efforts at improving highway safety and will be subject to intensive grantee performance review. This supplemental funding may be available for such activities as commercial bus inspection, drug interdiction, and other commercial vehicle safety related activities.

Major Component Accomplishments for FY2000

- Increased Commercial Vehicle Safety field inspection personnel, trained all personnel to perform North American Standard (NAS) driver and vehicle inspections, achieved National Certification of all field personnel by the

Commercial Vehicle Safety Alliance (CVSA); trained all personnel to perform hazardous materials inspections and cargo tank inspections.

- Completed the top level design for the State's Commercial Vehicle Information System and Network (CVISN).
- Executed timely responses to requests for scale inspection services on private commercial projects and federally funded airport and road construction projects.
- Responded to National Marine Fisheries Services (NMFS) requests for at-sea fish processor inspections. The division inspected scales on 23 vessels during the fiscal year.
- Acquired and put into service a replacement mass comparator balance. This was a step in the long-range plan to update and modernize equipment used in the laboratory.
- Critical parts of the computer infrastructure have been upgraded. Upgrades were needed to run software established as standards for state as well as federal program requirements.

Statutory and Regulatory Authority

AS 45.75	Weights & Measures Act
AS 19.10	Size, Weight, & Load Provisions; Restriction On Use of Highways
AS 19.10	Commercial Motor Vehicle Safety Inspections
03 AAC 032	Specifications, Tolerances, and Regulations For Weighing and Measuring Devices
03 AAC 035	Permits & Weigh Stations
17 AAC 025	Truck, Size & Weight Program

Measurement Standards & Commercial Vehicle Enforcement**Component Financial Summary***All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,952.2	3,415.7	3,862.9
72000 Travel	123.3	119.7	119.7
73000 Contractual	409.0	548.4	548.4
74000 Supplies	114.8	62.5	62.5
75000 Equipment	202.9	41.0	41.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,802.2	4,187.3	4,634.5
Funding Sources:			
1004 General Fund Receipts	2,040.1	1,941.8	2,005.0
1005 General Fund/Program Receipts	1,364.2	0.0	0.0
1053 Investment Loss Trust Fund	0.0	81.4	0.0
1061 Capital Improvement Project Receipts	397.9	762.6	1,173.2
1156 Receipt Supported Services	0.0	1,401.5	1,456.3
Funding Totals	3,802.2	4,187.3	4,634.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
General Fund Program Receipts	51060	113.7	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	0.4	0.0	0.0	0.0	0.0
Unrestricted Total		114.1	0.0	0.0	0.0	0.0
Restricted Revenues						
General Fund Program Receipts	51060	1,364.2	0.0	0.0	0.0	0.0
Receipt Supported Services	51073	0.0	1,401.5	1,401.5	1,456.3	1,456.3
Capital Improvement Project Receipts	51200	397.9	762.6	762.6	1,173.2	1,173.2
Investment Loss Trust Fund	51393	0.0	81.4	81.4	0.0	0.0
Restricted Total		1,762.1	2,245.5	2,245.5	2,629.5	2,629.5
Total Estimated Revenues		1,876.2	2,245.5	2,245.5	2,629.5	2,629.5

Measurement Standards & Commercial Vehicle Enforcement

Proposed Changes in Levels of Service for FY2002

- Establish a cooperative agreement with the U.S. Department of Commerce, National Marine Fisheries Service for funding of an additional Weights & Measures position. This position will perform the inspection and testing of flow scales and observer scales utilized in the CDQ fisheries.
- Increase the effectiveness of the CV safety program by:
 - performing Compliance Reviews at carrier's place of business, requiring new positions, training and procedures.
 - performing more Driver and Vehicle inspections, but targeting those higher-risk carriers, drivers and vehicles, based on analysis of prior history and other supporting data.
 - performing more comprehensive inspections to detect violations in transport of hazardous materials such as chemicals and explosives.
 - performing more thorough inspection of cargo tanks carrying fuel, explosive gases and chemicals.
 - performing inspections in areas of Alaska not usually visited by enforcement personnel, through deployment of Mobile CVE Teams and joint operations with local police and AST.
 - initiating inspections of motor coaches (tour buses), requiring additional training and equipment.
- Add one Administrative Clerk II position to cover the ever increasing clerical workload. Responsibilities for the division have grown in the last two years with the addition of the Intelligent Transportation System for Commercial Vehicle Operations (ITS/CVO) and the Motor Carrier Safety Assurance Program (MCSAP). More Weigh Station Operators and supervisory positions have been created; the merger of the Commercial Vehicle Enforcement Unit with our division; and the addition of the Metrology Laboratory program all took place with no emphasis on dealing with administrative work increases.
- Add one new Planner I position to perform duties as Project Manager for several ongoing projects simultaneously as the division/department moves towards Commercial Vehicle Information Systems & Networks (CVISN) Level I Deployment. CVISN integrates existing motor carrier information systems and networks in the states, streamlines operations and provides real-time information to the inspectors at the roadside for focusing on high risk carriers. The program direction is to increase enforcement, targeting high-risk carriers and commercial vehicle drivers; increase safety awareness among the driving public and the motor carrier industry; improve safety information systems and commercial motor vehicle technologies and improving federal commercial vehicle equipment and operating standards.

In order to reach CVISN Level I Deployment, all the elements of three capability areas must be implemented using applicable architectural guidelines, operational concepts and standards. The three areas are Safety Information Exchange, Credentials Administration, and Electronic Screening.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	2,023.2	0.0	2,164.1	4,187.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-18.2	0.0	23.7	5.5
Proposed budget increases:				
-Add \$34.8 Recpt Svcs for Admin Clerk II (25-#001) to meet the increasing clerical workload	0.0	0.0	34.8	34.8
-Add \$52.9 CIP for CVEO III (25-#021) to perform Motor Carrier Compliance Reviews	0.0	0.0	52.9	52.9

Component — Measurement Standards & Commercial Vehicle Enforcement

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
-Add \$49.7 CIP for Planner I (25- #002) to manage various CVISN Projects	0.0	0.0	49.7	49.7
-Add \$52.9 CIP for Weights & Measure Inspector II (25-#022) to work with NMFS	0.0	0.0	52.9	52.9
-Add \$246.0 CIP for reclassification of WSO's to Commercial Vehicle Enforcemen Officer I, II or III	0.0	0.0	246.0	246.0
-Add \$5.4 Rcpt Svcs to fund increases in Engineers' pay resulting from classification study	0.0	0.0	5.4	5.4
FY2002 Governor	2,005.0	0.0	2,629.5	4,634.5

Measurement Standards & Commercial Vehicle Enforcement**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	62	67	Annual Salaries	2,769,719
Part-time	7	6	COLA	40,155
Nonpermanent	0	0	Premium Pay	130,679
			Annual Benefits	1,118,835
			<i>Less 4.84% Vacancy Factor</i>	(196,488)
			Lump Sum Premium Pay	0
Totals	69	73	Total Personal Services	3,862,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Administrative Assistant	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	7	0	0	0	7
Administrative Manager II	1	0	0	0	1
Chf WGTs Meas & Permit	1	0	0	0	1
Comm. Veh. Enf. Off. II	1	0	0	0	1
Commercial Veh. Enf. Off. I	3	3	0	0	6
Commercial Veh. Enf. Off. II	10	9	0	6	25
Commercial Veh. Enf. Off. III	2	2	0	1	5
Division Director	1	0	0	0	1
Engineer/Architect I	1	0	0	0	1
Measure Standards Spvr	2	0	0	0	2
Micro/Network Spec I	2	0	0	0	2
Planner I	2	0	0	0	2
Planner III	1	0	0	0	1
Research Analyst II	1	0	0	0	1
Secretary	1	0	0	0	1
State Metrologist I	1	0	0	0	1
State Metrologist II	1	0	0	0	1
Weights & Meas Insp I	4	1	0	0	5
Weights & Meas Insp II	3	1	1	1	6
Totals	48	16	1	8	73

Component: DOT State Facilities Rent

Contact: Aves Thompson, Director

Tel: (907) 345-7750 **Fax:** (907) 345-6835 **E-mail:** aves_thompson@dot.state.ak.us

Component Mission

To fund necessary maintenance and help prevent future deferred maintenance problems in the eight buildings in the new state facilities rent pool.

Component Services Provided

Implement the first year of the State Facilities Rent Structure.

Component Goals and Strategies

Improve the condition of state buildings and help prevent future deferred maintenance problems by implementing the first year phase of a state facilities rent structure.

Key Component Issues for FY2001 – 2002

During years of budget constraints, state buildings have not been adequately maintained, resulting in a serious and expensive deferred maintenance backlog. By implementing a rent structure, the state will be able to recover an estimated \$1.5 million (statewide) in federal and other non-general funds for space occupied in state buildings. General funds now spent on building maintenance and operations by the Department of Transportation and Public Facilities (DOT&PF) for seven state buildings and by the Department of Administration (DOA) for the Atwood Building in Anchorage are being transferred from DOT&PF and DOA to the agencies occupying the buildings in the facilities rent pool. The agencies will pay rent, using these transferred general funds to pay for space occupied by general fund programs and collecting rent from non-general fund sources as appropriate.

Major Component Accomplishments for FY2000

Not applicable.

Statutory and Regulatory Authority

Not applicable.

DOT State Facilities Rent
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	11.4	11.4
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	11.4	11.4
Funding Sources:			
1004 General Fund Receipts	0.0	11.4	11.4
Funding Totals	0.0	11.4	11.4

DOT State Facilities Rent**Proposed Changes in Levels of Service for FY2002**

Not applicable.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	11.4	0.0	0.0	11.4
FY2002 Governor	11.4	0.0	0.0	11.4

Highways and Aviation Budget Request Unit

Contact: Boyd J. Brownfield, Deputy Commissioner

Tel: (907) 465-3900 **Fax:** (907) 586-8365 **E-mail:** Boyd_Brownfield@DOT.state.ak.us

BRU Mission

The mission is to maintain, safeguard and control the state's infrastructure system of highways, airports and harbors.

BRU Services Provided

- Winter snow and ice control including snow plowing, snow removal, sanding, anti-icing, avalanche control, snow fencing and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems including: Maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds.
- Control access to State rights of way for driveways, access roads, signs and utilities.

BRU Goals and Strategies

- Maintain and operate State highways, airports and harbors in a manner that assures safe and efficient transportation of both people and freight.
 - Cost effectively and properly maintain public infrastructure systems to prevent premature deterioration and costly repairs.
 - Monitor and report highway and airport conditions to public in a timely manner.
 - Continue the paving of gravel roads and preservation of existing asphalt roads throughout the state.
 - Begin use of new Intelligent Transportation System technologies such as Road and Weather Information Systems to better maintain the highways.
- Develop a maintenance management system to better manage our resources and gauge our performance.

Key BRU Issues for FY2001 – 2002

- A key issue continues to be how to protect Alaska's investment in its current and expanding transportation infrastructure. The State's investments in roads, airports, and harbors are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with ever-increasing list of deferred maintenance needs. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other state and federal agencies; and finally the increasing burden of new laws and regulations. The H&A budget continues to fall behind these demands and is inadequate to sustain basic preventative maintenance of our infrastructure. Our list of deferred maintenance items is projected to be \$258.5 million for statewide H&A needs. Adequate and stable funding is essential to properly maintain our infrastructure and provide a suitable level of service to the public.
- Increased costs have been offset slightly through increased productivity and other efficiencies. They are offset to a larger extent by increased reliance on capital funds. General Funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve improvements in road surfaces (chip sealing), which decreases maintenance costs for the short term. These funds are limited to specific maintenance activities such as asphalt and bridge repair and are not available for routine activities such as guardrail repair or snow and ice control. Operating costs, however, have continued to increase and still outweigh the sum of our cost reducing efforts, the infusion of capital funds, and our operating revenues.
- The H&A workforce is aging and nearing retirement. Within the next five years over 30% of the H&A foreman, equipment operators and mechanics will be eligible for retirement. This is the front wave of baby boomers whose departure from the work force will leave a significant gap. There are not sufficient skilled employees within our ranks

to fill these vacancies. Recruitment for these positions may also become a problem. Other states are currently unable to hire skilled personnel to fill their needs. The department previously had various grades of operators and mechanics from heavy duty to light duty and laborers. This allowed employees a natural progression as they acquired skills. During previous budget reductions, these lesser skilled positions were deleted to retain higher skilled operators and mechanics. The State must be proactive in planning for departure of skilled workforce so the level of service on our transportation system is not adversely impacted.

Major BRU Accomplishments for FY2000

- Crack sealed approximately 982 lane miles of highways.
- Paved over 239.8 lane miles of gravel roads.
- Transferred 13 miles of roads to local governments.
- Repaired 43 bridges
- Rebuilt 16 Hightower light standards on the Seward Highway
- Cleaned up and repaired damage to Seward and Richardson Highways from severe avalanche events

Key Performance Measures for FY2002

Measure: Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.

(Developed jointly with Legislature in FY2001.)

Current Status:

Out of 381 runways, aprons and taxiways inspected, 48% of the runways exceed 70 and 66% of the aprons/taxiways exceed 60. The actual PCI by airport is extremely variable depending upon where the airport is and when it was last upgraded. For example, the Skagway airport has recently been reconstructed and, as the paved areas are all new, PCI scores would be at or near 100. On the other hand, Yakutat has a PCI of 50 and will not be surveyed until a major reconstruction project is completed. That project will begin in 2001 or 2002.

Benchmark:

PCI 70 for runways; PCI 60 for taxiways and aprons.

Background and Strategies:

The PCI is a quantitative indicator of overall pavement condition that, as part of a pavement management system, helps us to determine maintenance and rehabilitation needs at airports. It also helps us to determine priorities when scheduling major pavement projects. However, a PCI score is only part of the story. The Department's goal is to maintain airports' required operational capability through effective staffing, equipment, maintenance, and management practices that ensure our airports are safe and open for business whether they have new pavement or are due for rehabilitation.

Measure: Percentage private maintenance contracts at non-certified airports compared to total number of non-certified airports.

(Revised from Legislature's FY2001 version.)

Current Status:

70% of the Department's non-certificated airports are maintained under contract. The Department has 192 non-certificated airports. Of those, the maintenance and operations of 134 of them are contracted to private firms or individuals and the remainder are maintained by the Department.

Benchmark:

No benchmark has yet been established.

Background and Strategies:

The current strategy is to adequately maintain all airports as cost effectively as possible. Most of the non-certified airports that are not maintained with private contractors are located next to highways. Consequently, the highway

crews maintain these airports. They have all the necessary equipment and local knowledge of the airport's needs. Economy is gained by maintaining the highways and airports with existing employees and equipment. Costs to maintain airports are generally considerably higher at those not serviced by a road system. Maintenance costs will continue to be kept down through competitively bid contracts where it is cost effective to do so.

Measure: Percentage pass rate of annual federal airport certification inspections for response and safety standards set out in FAA regulations.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of airports passed certification inspection. Compliance is mandatory and issues are corrected when noted.

Benchmark:

100% of airports passed certification inspection. Compliance is mandatory and issues are corrected when noted.

Background and Strategies:

The FAA, to ensure safe and standard airfield operations and compliance with its FAR 139 certification requirements, inspects the certificated airports at least annually. These inspections cover a broad range of areas including Airport Rescue and Firefighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Department's goal is to improve compliance with the FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. Inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Compliance with FAR Part 139 is achieved through adequate training and supervision of airport personnel, and implementation of effective management practices by the Regional Maintenance and Operations staff. The Regional Airport Safety and Compliance Officer is always available to help airport managers with compliance issues and ensures, through regular communication and visits, that any problems are resolved quickly.

Measure: The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally.

(Developed jointly with Legislature in FY2001.)

Current Status:

The number of centerline miles of gravel road surfaced with chip seal, hot mix or high float asphalt for the first time during FY00 is as follows:

	Total	by Hwys & Aviation	by Const & CIP
Central Region	103.0	36.0	67.0
Northern Region	49.0	4.3	44.7
Southeast Region	5.0	.0	5.0
TOTAL	157.0	40.3	116.7

Benchmark:

We are unaware of any specific benchmark at this time. Number of miles of roads that are surfaced is dependent upon amount of funds budgeted through the STIP.

Background and Strategies:

The Road Paving Program established in State Fiscal Year 99 implements the Administration's goal of reducing maintenance costs and improving the quality of life for Alaskans by hard surfacing state owned/maintained Non National Highway System (NHS) gravel roads, as well as those NHS roads also identified under the Statewide Transportation Improvement Program (STIP). The scope of this work represents limited shoulder work, drainage and other work related to preserving the road structure. This is an extremely important program and will provide great benefit to many Alaskans. The Department of Transportation and Public Facilities also benefits directly from this program through reduced maintenance costs. Roads are selected for this program based on cost, condition of the roads, and traffic levels.

Measure: The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials.

(Developed jointly with Legislature in FY2001.)

Current Status:

Northern Region Maintenance and Operations, Highways and Aviation maintains highway and airport lane miles with 42.1 lane miles per full time equivalent position. Southeast Region averages 35.3 highway and airport lane miles per full time equivalent. And, Central Region M&O maintains highway and airport lane miles with an average of 37.0 lane-miles per FTE position.

Benchmark:

Thirteen states average 21.7 lane miles per full time equivalent position based upon the 1993 Washington State report titled Maintenance, Management, and Administration Evaluation Report. Through a recent informal review of WASHTO states, the average lane miles per FTE for those states that responded are as follows:

Arizona	27.61
California	8.80
Colorado	18.66
Hawaii	7.23
Idaho	29.00
Nevada	38.18
Oklahoma	28.90
Texas	28.50

WASHTO Average 23.28

Background and Strategies:

At the current levels of lane miles per full-time-equivalent, the Department is not able to provide an adequate level of service. There is a long list of "deferred maintenance" work - jobs that have not been completed due to lack of personnel and other resources. Staff are required to concentrate on critical needs, such as snow removal, rock slides, flooding, and erosion of roadbeds, and are able to devote less attention to preventive maintenance, such as crack sealing, ditching, and brush cutting. Work on priority maintenance items is scheduled when time and resources permit, and federal funds are used to improve the transportation infrastructure to minimize future maintenance needs. The Department plans to implement an Alaskan maintenance management system that will establish specific maintenance criteria (roadway surface, drainage, snow & ice control, traffic services, etc.) with defined service levels and associated cost to identify to the public and legislature meaningful performance measures. Use of the maintenance management system will identify specific maintenance areas (e.g., guardrail repair, brush cutting, etc.) lacking in necessary resources. To reduce the average lane miles per employee, lane miles could be eliminated from state highway and aviation systems by transferring to communities, develop new funding sources, or encourage FHWA to make eligible more maintenance items under the federal aid highway program.

Measure: The number of miles of road maintenance for which responsibility is transferred to local governments.

(Developed jointly with Legislature in FY2001.)

Current Status:

In FY00 12.86 miles of road maintenance was transferred to local governments.

Benchmark:

No benchmark has yet been established.

Background and Strategies:

The transfer of road maintenance responsibility to local governments is negotiated between Planning, M&O and the local community. In exchange for a capital project benefiting the community, the community agrees to accept responsibility for maintaining an equivalent section of road. This is a win-win situation for the State and the community, allowing the use of federal funds to construct a project that benefits the community while reducing M&O general fund costs and responsibilities. The department is working with communities to identify roads that can be

transferred to municipality control. Currently we are working with municipal governments to transfer roads in Juneau, Haines, Petersburg, Mat-Su Borough and Kenai Peninsula Borough.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time. The percentage of cost-effective private maintenance contracts at non-certified airports compared to total number of non-certified airports. Percentage pass rate of annual federal airport certification inspections for response and safety standards set out in FAA regulations. The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally. The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials. The number of miles of road maintenance for which responsibility is transferred to local governments. 		X 	X		X

Highways and Aviation

BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Central Highways and Aviation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28,110.7	1,173.1	921.6	30,205.4
Northern Highways & Aviation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36,839.6	461.5	561.1	37,862.2
North Reg. Hwys & Aviation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lang.												
Southeast Highways & Aviation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,854.3	0.0	317.0	9,171.3
Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	73,804.6	1,634.6	1,799.7	77,238.9

Highways and Aviation

Proposed Changes in Levels of Service for FY2002

- The Whittier Tunnel & Access component, currently in its own appropriation, will be transferred in to Central Region Highways & Aviation in FY2002.
- Funding for reopening maintenance stations in Central and Northern Regions closed during FY00 is transferred from Statewide Highways and Aviation Maintenance Needs component.
- Funding for spring opening of the Taylor, Boundary Spur, McCarthy, Nome/Teller, Nome/Council, and Kougarak roads/highways is transferred from Statewide Highways Snowplowing & Winter Maintenance.
- Construction and implementation of the Road and Weather and Information System outside the Anchorage Bowl, use of Remote Controlled Equipment during avalanche cleanup in Thompson Pass, and Snow Plow guidance systems will increase level of service for snow and ice control.
- Use of Public Building Funds and Highway Working Capital Funds in the FY01 budget was a one-time use of these revenue funds. Continuing M&O needs are reflected in this FY02 budget request as converted from these special funds to general funds.

Highways and Aviation

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	0.0	0.0
Adjustments which get you to start of year:				
-Central Highways and Aviation	0.0	0.0	19.9	19.9
-Northern Highways & Aviation	0.0	0.0	10.6	10.6
-Southeast Highways & Aviation	0.0	0.0	7.1	7.1
Adjustments which will continue current level of service:				
-Central Highways and Aviation	1,644.6	-2.8	-594.8	1,047.0
-Northern Highways & Aviation	671.3	-2.5	-571.9	96.9
-Southeast Highways & Aviation	72.8	0.0	-47.3	25.5
Proposed budget increases:				
-Central Highways and Aviation	50.0	0.0	0.0	50.0
-Northern Highways & Aviation	125.0	0.0	0.0	125.0
-Southeast Highways & Aviation	0.0	0.0	54.5	54.5
FY2002 Governor	73,804.6	1,634.6	1,799.7	77,238.9

Component: Central Region Highways and Aviation

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Component Mission

The mission of the Central Region Highways and Aviation component is to maintain, protect, and control the state's highway, airport, and harbor systems.

Component Services Provided

Highways and Aviation maintains and operates 3,729 lane-miles of paved highway and 940 lane-miles of gravel roads, 103 airports, and 226 bridges.

- Provide snow plowing, sanding, de-icing, avalanche control, and culvert thawing necessary to keep designated State roads and airports open to safe winter travel.
- Provide grading, pothole patching, crack-sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Operate and maintain road and airport lighting systems such as traffic lights, intersection and road illumination, and runway and taxiway lights.
- Maintain federally mandated security at State airports, including gates and fencing, security agreements and crash fire and rescue service.
- Control encroachments onto State rights-of-way and issue driveway permits.
- Maintain harbor facilities not maintained by local community, including breakwaters, floats, and electrical systems.
- Provide statewide winter road and weather reporting on the Internet, the statewide recorded message system, and provide faxes to state troopers, trucking firms, and others.
- Continue operating the Adopt-a-Highway system.
- Provide an active avalanche prevention program.

Component Goals and Strategies

To maintain and operate Central Region State highway, airport, and harbor facilities in a manner that allow safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public, and new technology research.
- Monitor and report highway and airport conditions to all users.
- Turn State gravel roads "black" as well as pavement rehabilitation, crack sealing, and overlay projects.
- Provide snow and ice control.
- Continue to repair and replace guardrail throughout the Region.
- Begin to use new technology such as Road and Weather Information Systems to help maintain the highways.

To safeguard the State's investment in highways, airports, and harbors.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.

Key Component Issues for FY2001 – 2002

- The Whittier Tunnel opened June 7, 2000. So far, tunnel operations have run well. The most difficult task was to establish schedules that met everyone's needs. The first two years of operation and maintenance of the tunnel are included under the design-build-operate contract to assure that actual operations are in line with design. Although the contractor will be maintaining the tunnel for two years, there are additional maintenance costs associated with the highway leading up to the tunnel, parking lots and staging areas. For FY01, \$450,000 was allocated for these items. Equipment rental contracts have been put in place for snow removal and two new positions have been created. This

winter (2000) will be a trial run to determine if maintenance contracts will work or if DOT&PF equipment operators will be needed.

- A key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other State and Federal agencies; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items is currently at \$139.5 million for Central Region Highways and Aviation and it continues to grow.

- Increased costs have been offset to some degree through increased productivity and other efficiencies, and, to a large extent, by increased use of federal capital funds. General Funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (e.g., chip sealing, crack sealing, and overlays), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost reducing efforts, the infusion of capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

- Brush control is necessary for safety to prevent moose and other accidents due to sight distance limitations as well as for aesthetics. If funding and work does not continue annually, any gain is suddenly lost and the three-year rotation cycle for brush cutting will need to start over. If brush cutting is continued, the brush will give way to grass, which is cheaper and easier to maintain. The use of herbicides, which would save considerable money, is not allowed in Alaska.

- Federal CIP project funds are being used to replace traffic signal heads with more electrically efficient LED heads. This conversion will save an estimated \$300,000 per year in electric bills for the Anchorage, Mat-Su, and Kenai Peninsula Districts.

Major Component Accomplishments for FY2000

- 11 of our 103 airports came under close scrutiny by the FAA as they require FAA Operating Certificates allowing use by large aircraft. Each is inspected annually by the FAA. All inspections were passed with only minor discrepancies.
- Crack sealed 484 lane miles of the National Highway System, and 100 lane miles of the non-National Highway System.
- Repaired 10 bridges on the NHS. Repaired 7 bridges on the non-NHS.
- Overlaid 47 lane miles of paved roads in Kodiak, Anchorage, Girdwood, Soldotna, and Palmer.
- Replaced and repaired 16 high tower street lights on the Seward Highway in Anchorage.
- Paved 66 lane miles of gravel roads with the "Gravel to Black" program in MatSu and on the Kenai Peninsula.
- Paved 24 lane miles of gravel roads and transferred to the Boroughs under the "Pave and Traded" program. Traded road maintenance responsibilities with local governments to more efficiently sand and plow snow, paint streets, and clean out storm drains.
- Repaired damage from Seward to Cascade at 33 avalanche sites caused by winter storms in February 2000.
- Paved approximately 36 centerline miles of gravel roads.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 30 Harbors and Shipping
- AS 38 Motor Vehicles
- AS 44 State Government
- AAC 13 Public Safety
- AAC 14 Public Works
- AAC 17 DOT&PF
- CFR 14 Aeronautics
- CFR 23 Highways

Central Region Highways and Aviation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	12,487.9	11,667.1	12,114.5
72000 Travel	170.5	81.9	85.6
73000 Contractual	11,570.8	13,436.9	13,939.6
74000 Supplies	4,838.4	3,902.6	4,065.7
75000 Equipment	102.9	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	29,170.5	29,088.5	30,205.4
Funding Sources:			
1002 Federal Receipts	239.5	1,175.9	1,173.1
1004 General Fund Receipts	26,353.3	25,756.3	27,505.0
1005 General Fund/Program Receipts	470.0	619.4	605.7
1007 Inter-Agency Receipts	1,372.0	81.1	80.3
1026 Highway Working Capital Fund	0.0	528.6	0.0
1027 International Airport Revenue Fund	28.4	28.4	28.4
1052 Oil/Hazardous Response Fund	700.0	700.0	350.0
1053 Investment Loss Trust Fund	0.0	40.4	0.0
1061 Capital Improvement Project Receipts	0.0	0.0	19.9
1108 Statutory Designated Program Receipts	7.3	93.4	93.0
1147 Public Building Fund	0.0	65.0	0.0
1156 Receipt Supported Services	0.0	0.0	350.0
Funding Totals	29,170.5	29,088.5	30,205.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	8.2	0.0	0.0	0.0	0.0
Unrestricted Total		8.2	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	239.5	1,175.9	1,175.9	1,173.1	1,173.1
Interagency Receipts	51015	1,372.0	81.1	81.1	80.3	80.3
Highway Working Capital Fund	51050	0.0	528.6	528.6	0.0	0.0
International Airport Revolving Fund	51055	28.4	28.4	28.4	28.4	28.4
General Fund Program Receipts	51060	470.0	619.4	619.4	605.7	605.7

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Statutory Designated Program Receipts	51063	7.3	93.4	93.4	93.0	93.0
Receipt Supported Services	51073	0.0	0.0	0.0	350.0	350.0
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	19.9	19.9
Oil Hazardous Response Fund	51370	700.0	700.0	700.0	350.0	350.0
Investment Loss Trust Fund	51393	0.0	40.4	40.4	0.0	0.0
Public Building Fund	51432	0.0	65.0	65.0	0.0	0.0
Restricted Total		2,817.2	3,332.2	3,332.2	2,700.4	2,700.4
Total Estimated Revenues		2,825.4	3,332.2	3,332.2	2,700.4	2,700.4

Central Region Highways and Aviation

Proposed Changes in Levels of Service for FY2002

The Whittier Tunnel & Access component, currently in its own appropriation, will be transferred in to Central Region Highways & Aviation in FY2002. Funding for reopening Central Region maintenance stations closed during FY00 is transferred from Statewide Highways and Aviation Maintenance Needs component.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	26,416.1	1,175.9	1,496.5	29,088.5
Adjustments which get you to start of year:				
-Add \$19.9 CIP to Implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	19.9	19.9
Adjustments which will continue current level of service:				
-Delete \$65.0 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-65.0	-65.0
-Convert \$528.6 Highway Working Capital Funds to General Funds	528.6	0.0	-528.6	0.0
-Convert \$350.0 Oil/Haz to GF for the NPDES Program	350.0	0.0	-350.0	0.0
-Transfer Whittier component funding and positions into the CE H&A component	100.0	0.0	350.0	450.0
-Transfer \$338.6 GF from Stwd H&A Mtnc Needs for maintenance stations (North Kenai & Kalsin Bay)	338.6	0.0	0.0	338.6
-Transfer \$115.0 GF from Stwd H&A Mtnc Needs for overtime snowplowing	115.0	0.0	0.0	115.0
-Transfer \$130.0 GF from Stwd H&A Mtnc Needs for maintenance (Quartz Creek & Anchorage)	130.0	0.0	0.0	130.0
-Transfer \$175.0 GF from Stwd H&A Mtnc Needs for magnesium chloride	175.0	0.0	0.0	175.0
-Year 2 Labor Costs - Net Change from FY2001	-92.6	-2.8	-1.2	-96.6
Proposed budget increases:				
-Add \$50.0 GF for Increased Rural Airport Contract Costs	50.0	0.0	0.0	50.0
FY2002 Governor	28,110.7	1,173.1	921.6	30,205.4

Central Region Highways and Aviation

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	159	157	Annual Salaries	8,571,016
Part-time	39	45	COLA	211,554
Nonpermanent	0	0	Premium Pay	587,027
			Annual Benefits	3,264,789
			Less 4.11% Vacancy Factor	(519,886)
			Lump Sum Premium Pay	0
Totals	198	202	Total Personal Services	12,114,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	3	0	0	2	5
Administrative Clerk III	2	0	0	10	12
Administrative Manager II	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Engineering Assistant III	1	0	0	0	1
Equip Operator Foreman I	1	0	0	4	5
Equip Operator Foreman II	1	0	0	6	7
Equip Operator Journey I	17	0	0	0	17
Equip Operator Journey II	23	0	0	59	82
Equip Operator Jrny III/Lead	3	0	0	45	48
Facilities Manager I	1	0	0	0	1
Maint Spec Etrician Journey II	2	0	0	4	6
Maint Spec Tces Jrny II	1	0	0	0	1
PCN 25-1069, P9511, equip oper	1	0	0	0	1
PCN 25-1116, P9511, equip oper	0	0	0	1	1
PCN 25-1117, P9511, equip oper	0	0	0	1	1
PCN 25-1125, P9511, equip oper	0	0	0	1	1
Regnl Saf&Arpt Sec Off	1	0	0	0	1
Safety & Emerg Supp Spec	1	0	0	0	1
Secretary	1	0	0	0	1
Trans Maint Manager II	2	0	0	0	2
Trans Maint Supt I	1	0	0	1	2
Trans Maint Supt II	2	0	0	2	4
Totals	66	0	0	136	202

Component: Northern Region Highways and Aviation

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Component Mission

Maintain, protect, and control the state's highway and airport systems.

Component Services Provided

- Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing, and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems maintenance of traffic signals, intersection and road illumination, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds
- Encroachment control on driveways, access roads, signs, utilities, and other State rights of way.

Component Goals and Strategies

To maintain and operate Northern Region State highway, airport, and harbor facilities in a manner that allow safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public, and new technology research.
- Monitor and report highway and airport conditions to all users.
- Turn State gravel roads "black" as well as pavement rehabilitation, crack sealing, and overlay projects.
- Provide snow and ice control.
- Continue to repair and replace guardrail throughout the Region.
- Begin to use new technology such as Road and Weather Information Systems to help maintain the highways.

To safeguard the State's investment in highways, airports, and harbors.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.

Key Component Issues for FY2001 – 2002

· The key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with an ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other state and federal agencies; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items is currently at \$95.9 million for Northern Region Highways and Aviation and it continues to grow.

· Increased costs have been offset to some degree through increased productivity and other efficiencies. They are offset to a large extent by increased use of federal capital funds. General funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost reducing efforts, the infusion of

capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

Major Component Accomplishments for FY2000

- Applied chip seal, hot mix, or high float asphalt to 165 lane miles of road.
- Covered 145 lane miles with crack seal.
- Paved approximately 9 lane miles of gravel roads.
- Repaired 26 bridges.
- Cut approximately 285 miles of brush and trees along our right-of-ways.
- Coordinated parts delivery with State Equipment Fleet at remote camps by using Maintenance and Operations employees to perform this service.
- The Adopt-a-Highway system continues to grow with new volunteer groups enthusiastically participating in clean up of selected segments of highways. A safety video and Policies and Procedures for Adopt-a-Highway programs are currently being developed.

Statutory and Regulatory Authority

AS 02 - Aeronautics
AS 30 - Harbors & Shipping
AS 38 - Motor Vehicles
AS 44 - State Government
AAC 13 - Public Safety
AAC 14 - Public Works
AAC 17 - DOT&PF
CFR 14 - Aeronautics
CFR 23 - Highways

Northern Region Highways and Aviation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	19,881.4	17,615.2	17,813.3
72000 Travel	503.1	604.6	604.6
73000 Contractual	14,582.5	14,695.9	14,970.9
74000 Supplies	5,435.6	4,714.0	4,473.4
75000 Equipment	135.2	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	40,537.8	37,629.7	37,862.2
Funding Sources:			
1002 Federal Receipts	416.8	464.0	461.5
1004 General Fund Receipts	35,706.1	35,166.0	36,052.5
1005 General Fund/Program Receipts	625.6	804.4	787.1
1007 Inter-Agency Receipts	3,753.7	333.3	332.6
1026 Highway Working Capital Fund	15.8	15.8	15.8
1053 Investment Loss Trust Fund	0.0	72.9	0.0
1061 Capital Improvement Project Receipts	0.0	0.0	10.6
1108 Statutory Designated Program Receipts	19.8	305.4	202.1
1147 Public Building Fund	0.0	467.9	0.0
Funding Totals	40,537.8	37,629.7	37,862.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	2.5	0.0	0.0	0.0	0.0
Unrestricted Total		2.5	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	416.8	464.0	464.0	461.5	461.5
Interagency Receipts	51015	3,753.7	333.3	333.3	332.6	332.6
Highway Working Capital Fund	51050	15.8	15.8	15.8	15.8	15.8
General Fund Program Receipts	51060	625.6	804.4	804.4	787.1	787.1
Statutory Designated Program Receipts	51063	19.8	305.4	305.4	202.1	202.1
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	10.6	10.6
Investment Loss Trust Fund	51393	0.0	72.9	72.9	0.0	0.0
Public Building Fund	51432	0.0	467.9	467.9	0.0	0.0

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Restricted Total		4,831.7	2,463.7	2,463.7	1,809.7	1,809.7
Total Estimated Revenues		4,834.2	2,463.7	2,463.7	1,809.7	1,809.7

Northern Region Highways and Aviation

Proposed Changes in Levels of Service for FY2002

-Birch Lake and Trims maintenance camps were closed during FY2000 as a cost saving measure but were reopened in FY2001 when additional funding was provided by the Legislature. To save costs they were not reopened until late in the fall of FY2001. Funding is being transferred from the Statewide Highways and Aviation Maintenance Needs component for continued operation of these maintenance stations. There are no other significant changes in service between FY2001 and FY2002.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	36,043.3	464.0	1,122.4	37,629.7
Adjustments which get you to start of year:				
-Add \$10.6 CIP to Implement Phase 2 of Indirect Cost Allocation Plan to Comply with OMB Circular A-87	0.0	0.0	10.6	10.6
Adjustments which will continue current level of service:				
-Delete \$336.6 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-336.6	-336.6
-Convert \$174.4 Special FY2001 Labor Cost Fund Sources to GF	101.5	0.0	-101.5	0.0
-Convert \$131.3 Special FY2001 Public Building Fund for Road Opening to GF	131.3	0.0	-131.3	0.0
-Transfer \$257.6 from Stwd Highways Snowplowing & Winter Mtnc for road openings and maintenance	257.6	0.0	0.0	257.6
-Transfer \$270.0 from Stwd H&A Mtnc Needs for maintenance stations (Birch Lake/Trims)	270.0	0.0	0.0	270.0
-Transfer \$55.4 from Stwd H&A Mtnc Needs for calcium chloride on the Dalton Hwy	55.4	0.0	0.0	55.4
-Year 2 Labor Costs - Net Change from FY2001	-144.5	-2.5	-2.5	-149.5
Proposed budget increases:				
-Add \$125.0 for Increased Rural Airport Contract Costs	125.0	0.0	0.0	125.0
FY2002 Governor	36,839.6	461.5	561.1	37,862.2

Northern Region Highways and Aviation

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	220	220	Annual Salaries	13,362,406
Part-time	89	91	COLA	315,925
Nonpermanent	0	0	Premium Pay	166,128
			Annual Benefits	4,801,968
			<i>Less 4.47% Vacancy Factor</i>	(833,127)
			Lump Sum Premium Pay	0
Totals	309	311	Total Personal Services	17,813,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	1	0	0	1
Administrative Assistant	0	5	0	2	7
Administrative Clerk II	0	0	0	1	1
Administrative Clerk III	0	1	0	3	4
Administrative Manager II	0	1	0	0	1
Division Director	0	1	0	0	1
Engineer/Architect III	0	1	0	0	1
Engineering Associate	0	1	0	0	1
Environmental Analyst III	0	1	0	0	1
Equip Operator Foreman I	0	2	0	12	14
Equip Operator Foreman II	0	1	0	5	6
Equip Operator Journey I	0	24	0	20	44
Equip Operator Journey II	0	15	0	120	135
Equip Operator Jrny III/Lead	0	5	0	47	52
Equip Operator Sub Journey I	0	0	0	2	2
Equip Operator Sub Journey II	0	4	0	13	17
Maint Gen Sub - Journey II	0	1	0	0	1
Maint Spec Etrician Journey II	0	1	0	1	2
Maint Spec Tces Jrny II	0	3	0	0	3
Mech Auto Lead/Spec	0	0	0	3	3
Regnl Saf&Arpt Sec Off	0	1	0	0	1
Safety Officer	0	1	0	0	1
Secretary	0	1	0	0	1
Stock & Parts Svcs Journey I	0	0	0	1	1
Trans Maint Manager III	0	1	0	1	2
Trans Maint Supt I	0	0	0	1	1
Trans Maint Supt II	0	3	0	4	7
Totals	0	75	0	236	311

Component: Northern Region Highways and Aviation Language

Contact: James H. Little, Northern Region M&O Director

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Component Mission

Maintain, protect, and control the state's highway and airport systems.

Component Services Provided

- Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing, and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems maintenance of traffic signals, intersection and road illumination, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds
- Encroachment control on driveways, access roads, signs, utilities, and other State rights of way.

Component Goals and Strategies

To maintain and operate Northern Region State highway, airport, and harbor facilities in a manner that allow safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public, and new technology research.
- Monitor and report highway and airport conditions to all users.
- Turn State gravel roads "black" as well as pavement rehabilitation, crack sealing, and overlay projects.
- Provide snow and ice control.
- Continue to repair and replace guardrail throughout the Region.
- Begin to use new technology such as Road and Weather Information Systems to help maintain the highways.

To safeguard the State's investment in highways, airports, and harbors.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.

Key Component Issues for FY2001 – 2002

· The key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with an ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other state and federal agencies; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items is currently at \$95.9 million for Northern Region Highways and Aviation and it continues to grow.

· Increased costs have been offset to some degree through increased productivity and other efficiencies. They are offset to a large extent by increased use of federal capital funds. General funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost reducing efforts, the infusion of

capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

Major Component Accomplishments for FY2000

- Applied chip seal, hot mix, or high float asphalt to 165 lane miles of road.
- Covered 145 lane miles with crack seal.
- Paved approximately 9 lane miles of gravel roads.
- Repaired 26 bridges.
- Cut approximately 285 miles of brush and trees along our right-of-ways.
- Coordinated parts delivery with State Equipment Fleet at remote camps by using Maintenance and Operations employees to perform this service.
- The Adopt-a-Highway system continues to grow with new volunteer groups enthusiastically participating in clean up of selected segments of highways. A safety video and Policies and Procedures for Adopt-a-Highway programs are currently being developed.

Statutory and Regulatory Authority

AS 02 - Aeronautics
AS 30 - Harbors & Shipping
AS 38 - Motor Vehicles
AS 44 - State Government
AAC 13 - Public Safety
AAC 14 - Public Works
AAC 17 - DOT&PF
CFR 14 - Aeronautics
CFR 23 - Highways

Northern Region Highways and Aviation Language

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	0.0	0.0
Funding Sources:			
1147 Public Building Fund	0.0	0.0	0.0
Funding Totals	0.0	0.0	0.0

Northern Region Highways and Aviation Language**Proposed Changes in Levels of Service for FY2002**

No service changes.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	0.0	0.0
FY2002 Governor	0.0	0.0	0.0	0.0

Component: Southeast Region Highways and Aviation

Contact: Greg Patz, Transportation Chief

Tel: (907) 465-1784 **Fax:** (907) 465-2021 **E-mail:** Greg_Patz@dot.state.ak.us

Component Mission

Maintain, protect and control the state's highway, harbor and airport systems.

Component Services Provided

- Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems, including: Maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds.
- Control access to State rights of way for driveways, access roads, signs and utilities.

Component Goals and Strategies

To maintain and operate Southeast Region State highway, harbor and airport facilities in a manner that allows the safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public and new technology research.

To safeguard the State's investments in highways and airports.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.

Provide necessary maintenance and operations services by the most productive and cost-effective means available.

- Develop a maintenance management system to help gauge our performance and better manage our resources.

Key Component Issues for FY2001 – 2002

· The key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other State and Federal agencies; and finally, the increasing burden of new laws and regulations. The M&O budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items is currently at \$41.3 million for Southeast Highways and Aviation and it continues to grow.

· Increased costs have been offset to some degree through increased productivity and other efficiencies. They are offset to a large extent by increased use of federal capital funds. General Funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost reducing efforts, the infusion of capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

Major Component Accomplishments for FY2000

- Haines: Chip sealed Lutak Road, 5.5 miles, Mud Bay Road, 6.1 miles, Beach Street, 1.5 miles, Front Street, 1 mile, plus Comstock, Menaker, Piedad, Sawmill roads, 1.9 miles. Replaced three damaged culverts on Lutak Road.
- Juneau: Chip sealed Glacier Highway, Eagle Beach to end of pavement, 4.4 miles; chip sealed North Douglas Highway, Eaglecrest to end of road, 3 miles.
- Ketchikan: Chip sealed 1.8 miles of roads, including D-1 Loop, D-2 Loop, Roosevelt Spur, and Higgins Spur.
- Klawock: Installed security fence at airport..
- Petersburg: Chip sealed .5 miles of road, including Scow Bay Loop Road, Falls Creek Road, Papke's Landing Road, and Crystal Lake Hatchery Road.
- Skagway: Upgraded 2 miles of Dyea Road by widening sections, building up road bed, and surfacing with new material.
- Wrangell: Chip sealed Wrangell East Road, 1.9 miles.

Statutory and Regulatory Authority

- A. S. 02 - Aeronautics
- B. S. 30 - Harbors & Shipping
- C. S. 38 - Motor Vehicles
- D. S. 44 - State Government
- AAC 13 - Public Safety
- AAC 14 - Public Works
- AAC 17 - DOT&PF
- CFR 14 - Aeronautics
- CFR 23 - Highway

Southeast Region Highways and Aviation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,215.6	4,367.0	4,475.1
72000 Travel	63.6	67.4	74.5
73000 Contractual	2,828.7	2,946.1	2,950.6
74000 Supplies	2,293.2	1,703.7	1,671.1
75000 Equipment	31.7	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,432.8	9,084.2	9,171.3
Funding Sources:			
1004 General Fund Receipts	8,471.3	8,313.4	8,476.9
1005 General Fund/Program Receipts	335.5	386.9	377.4
1007 Inter-Agency Receipts	461.1	86.3	86.0
1053 Investment Loss Trust Fund	0.0	81.2	0.0
1061 Capital Improvement Project Receipts	0.0	0.0	7.1
1108 Statutory Designated Program Receipts	164.9	169.9	223.9
1147 Public Building Fund	0.0	46.5	0.0
Funding Totals	9,432.8	9,084.2	9,171.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	6.5	0.0	0.0	0.0	0.0
Unrestricted Total		6.5	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	461.1	86.3	86.3	86.0	86.0
General Fund Program Receipts	51060	335.5	386.9	386.9	377.4	377.4
Statutory Designated Program Receipts	51063	164.9	169.9	169.9	223.9	223.9
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	7.1	7.1
Investment Loss Trust Fund	51393	0.0	81.2	81.2	0.0	0.0
Public Building Fund	51432	0.0	46.5	46.5	0.0	0.0
Restricted Total		961.5	770.8	770.8	694.4	694.4
Total Estimated Revenues		968.0	770.8	770.8	694.4	694.4

Southeast Region Highways and Aviation

Proposed Changes in Levels of Service for FY2002

Funding to bring the Juneau and Ketchikan maintenance staffing back up to pre-FY00 levels is transferred from the Statewide Highways and Aviation Maintenance Needs component.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	8,781.5	0.0	302.7	9,084.2
Adjustments which get you to start of year:				
-Add \$7.1 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	7.1	7.1
Adjustments which will continue current level of service:				
-Delete \$46.5 in Public Building Funds for FY01 Increased Fuel Costs	0.0	0.0	-46.5	-46.5
-Transfer \$110.0 GF from Stwd H&A Mtn Needs to restore FY00 and FY01 pers svcs reductions	110.0	0.0	0.0	110.0
-Year 2 Labor Costs - Net Change from FY2001	-37.2	0.0	-0.8	-38.0
Proposed budget increases:				
-Add \$54.5 SDPR to maintain 20 hour daily service at Sitka airport	0.0	0.0	54.5	54.5
FY2002 Governor	8,854.3	0.0	317.0	9,171.3

Southeast Region Highways and Aviation

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	57	58	Annual Salaries	2,963,790
Part-time	9	9	COLA	80,997
Nonpermanent	0	0	Premium Pay	501,549
			Annual Benefits	1,191,666
			<i>Less 5.55% Vacancy Factor</i>	(262,902)
			Lump Sum Premium Pay	0
Totals	66	67	Total Personal Services	4,475,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	2	1	3
Administrative Manager I	0	0	1	0	1
Engineering Associate	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Foreman II	0	0	2	4	6
Equip Operator Journey I	0	0	0	1	1
Equip Operator Journey II	0	0	10	16	26
Equip Operator Jrny III/Lead	0	0	0	21	21
Leasing Officer I	0	0	1	0	1
Leasing Officer IV	0	0	1	0	1
Maint Spec Bfc Foreman	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Trans Maint Manager II	0	0	1	0	1
Trans Maint Manager III	0	0	1	0	1
Totals	0	0	24	43	67

BRU/Component: Statewide Highways Snowplowing and Winter Maintenance

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Boyd J. Brownfield, Deputy Commissioner

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Component Mission

No mission statement.

Component Services Provided

No services provided.

Component Goals and Strategies

No goals and strategies.

Key Component Issues for FY2001 – 2002

No key issues.

Major Component Accomplishments for FY2000

No major accomplishments.

Statutory and Regulatory Authority

No statutes and regulations.

Statewide Highways Snowplowing and Winter Maintenance

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	257.6	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	257.6	0.0
Funding Sources:			
1004 General Fund Receipts	0.0	257.6	0.0
Funding Totals	0.0	257.6	0.0

Statewide Highways Snowplowing and Winter Maintenance**Proposed Changes in Levels of Service for FY2002**

No service changes.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	257.6	0.0	0.0	257.6
Adjustments which will continue current level of service:				
-Transfer \$257.6 GF to NR H&A for road openings and maintenance	-257.6	0.0	0.0	-257.6
FY2002 Governor	0.0	0.0	0.0	0.0

BRU/Component: Statewide Highways and Aviation Needs

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Boyd J. Brownfield, Deputy Commissioner

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Component Mission

No mission statement.

Component Services Provided

No services provided.

Component Goals and Strategies

No goals and strategies.

Key Component Issues for FY2001 – 2002

No key issues.

Major Component Accomplishments for FY2000

No major accomplishments.

Statutory and Regulatory Authority

No statutes and regulations.

Statewide Highways and Aviation Needs

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	1,471.4	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	1,471.4	0.0
Funding Sources:			
1004 General Fund Receipts	0.0	500.0	0.0
1026 Highway Working Capital Fund	0.0	971.4	0.0
Funding Totals	0.0	1,471.4	0.0

Statewide Highways and Aviation Needs

Proposed Changes in Levels of Service for FY2002

No service changes.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	500.0	0.0	971.4	1,471.4
Adjustments which will continue current level of service:				
-Convert \$971.4 Special FY2001 Hwy Working Capital Funds for maintenance into GF	971.4	0.0	-971.4	0.0
-Transfer \$338.6 to CR H&A for maintenance stations (Kalsin Bay & North Kenai)	-338.6	0.0	0.0	-338.6
-Transfer \$130.0 to CR H&A for maintenance (Quartz Creek & Anchorage)	-130.0	0.0	0.0	-130.0
-Transfer \$115.0 to CR H&A for snowplowing overtime	-115.0	0.0	0.0	-115.0
-Transfer \$175.0 to CR H&A for magnesium chloride	-175.0	0.0	0.0	-175.0
-Transfer \$270.0 to NR H&A for maintenance stations (Trims & Birch Lake)	-270.0	0.0	0.0	-270.0
-Transfer \$80.0 to NR Facilities for maintenance stations (Trims & Birch Lake)	-80.0	0.0	0.0	-80.0
-Transfer \$55.4 to NR H&A for calcium chloride on the Dalton Hwy	-55.4	0.0	0.0	-55.4
-Transfer \$110.0 to SE H&A for maintenance activities	-110.0	0.0	0.0	-110.0
-Transfer \$56.4 to Regional Admin Services to support maintenance efforts	-56.4	0.0	0.0	-56.4
-Transfer \$52.0 to CR Support Svcs to support maintenance efforts	-52.0	0.0	0.0	-52.0
-Transfer \$57.0 to NR Support Svcs to support maintenance efforts	-57.0	0.0	0.0	-57.0
-Transfer \$32.0 to SE Support Svcs to support maintenance efforts	-32.0	0.0	0.0	-32.0
FY2002 Governor	0.0	0.0	0.0	0.0

BRU/Component: Whittier Access & Tunnel

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Boyd J. Brownfield, Deputy Commissioner

Tel: (907) 465-3900 **Fax:** (907) 586-8365 **E-mail:** Boyd_Brownfield@dot.state.ak.us

Component Mission

No mission statement.

Component Services Provided

No services provided.

Component Goals and Strategies

No goals and strategies.

Key Component Issues for FY2001 – 2002

No key issues.

Major Component Accomplishments for FY2000

No major accomplishments.

Statutory and Regulatory Authority

No statutes and regulations.

Whittier Access & Tunnel

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	100.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	350.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	450.0	0.0
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	0.0
1108 Statutory Designated Program Receipts	0.0	0.0	0.0
1147 Public Building Fund	0.0	100.0	0.0
1156 Receipt Supported Services	0.0	350.0	0.0
Funding Totals	0.0	450.0	0.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Receipt Supported Services	51073	0.0	350.0	350.0	0.0	0.0
Public Building Fund	51432	0.0	100.0	100.0	0.0	0.0
Restricted Total		0.0	450.0	450.0	0.0	0.0
Total Estimated Revenues		0.0	450.0	450.0	0.0	0.0

Whittier Access & Tunnel**Proposed Changes in Levels of Service for FY2002**

No service changes.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	450.0	450.0
Adjustments which will continue current level of service:				
-Convert \$100.0 Special FY2001 Public Building Fund for Whittier Access into GF	100.0	0.0	-100.0	0.0
-Transfer Whittier component funding and positions into CR H&A component	-100.0	0.0	-350.0	-450.0
FY2002 Governor	0.0	0.0	0.0	0.0

Whittier Access & Tunnel**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
			Annual Salaries	0
Full-time	1	0	Premium Pay	0
Part-time	1	0	Annual Benefits	0
Nonpermanent	0	0	<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	2	0	Total Personal Services	0

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

BRU/Component: International Airport Systems Office

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Bill O'Leary, Controller

Tel: (907) 266-2404 **Fax:** (907) 266-2100 **E-mail:** Bill_OLeary@dot.state.ak.us

Component Mission

The mission of the International Airport System Office is to provide relevant and reliable financial statements to the international airport system.

Component Services Provided

- Establish uniform accounting practices and financial reporting requirements.
- Arrange for annual audit by independent CPA.
- Provide uniform fee structures for use of the airports' facilities and services.
- Identify cost reductions that do not jeopardize the traveling public safety.
- Identify new revenue sources and enhance existing ones.

Component Goals and Strategies

Monitor effectively and efficiently the financial affairs of the Alaska International Airport System (AIAS) composed of Anchorage International Airport and Fairbanks International Airport. Enhance revenue sources and identify cost savings opportunities.

Key Component Issues for FY2001 – 2002

- Establish uniform accounting practices and financial reporting requirements.
- Arrange for annual audit by independent CPA.
- Provide uniform fee structures for use of the airports' facilities and services.
- Identify cost reductions that do not jeopardize the traveling public safety.
- Identify new revenue sources and enhance existing ones.
- Conducting negotiations for renewal of a 5-year operating agreement with signatory air carriers.

Major Component Accomplishments for FY2000

- Completed Passenger Facility Charge (PFC) application for both FIA and AIA.
- Designed and implemented new Lake Hood cost accounting tracking.
- Issued \$25 million in revenue bonds to complete the financing for the redevelopment and improvement of AIA facilities (Gateway Alaska project).

Statutory and Regulatory Authority

- FAR Part 108, 612
- AS 18 Health/Safety
- AS 37.15.430

International Airport Systems Office

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	136.1	145.4	220.5
72000 Travel	12.1	19.2	19.2
73000 Contractual	134.2	120.4	120.4
74000 Supplies	5.6	4.1	4.1
75000 Equipment	0.0	10.8	10.8
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	288.0	299.9	375.0
Funding Sources:			
1027 International Airport Revenue Fund	288.0	299.9	375.0
Funding Totals	288.0	299.9	375.0

International Airport Systems Office**Proposed Changes in Levels of Service for FY2002**

This component is requesting an additional accountant position to assist in additional bond activities and tracking of capital projects anticipated with the execution of a new operating agreement.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	299.9	299.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-0.9	-0.9
Proposed budget increases:				
-Add 25-#003 \$76.0 IARF for one fulltime Accountant IV to help monitor construction funds.	0.0	0.0	76.0	76.0
FY2002 Governor	0.0	0.0	375.0	375.0

International Airport Systems Office

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	2	3	Annual Salaries	163,258
Part-time	0	0	COLA	2,838
Nonpermanent	0	0	Premium Pay	2,479
			Annual Benefits	56,745
			<i>Less 2.14% Vacancy Factor</i>	(4,820)
			Lump Sum Premium Pay	0
Totals	2	3	Total Personal Services	220,500

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant II	1	0	0	0	1
Accountant IV	1	0	0	0	1
Intl Airpts Controller	1	0	0	0	1
Totals	3	0	0	0	3

Ted Stevens Anchorage International Airport Budget Request Unit

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BRU Mission

The mission of the Ted Stevens Anchorage International Airport (AIA) is to safely, effectively, and efficiently operate and maintain the airport in a manner consistent with Federal regulatory requirements, high service standards, sensitivity to user needs, and awareness of community goals.

BRU Services Provided

- Snow removal and ice control on runways, taxiways, parking areas, and roadways.
- Repair and maintenance of all pavement areas, terminal buildings, parking garage, airport equipment, and other airport state-owned buildings.
- Provision for fire fighting, emergency medical services, and law enforcement within the airport area.
- Traffic control on arrival and departure ramps.
- Physical and policy planning.
- Property management, financial management, and marketing to maximize revenues used to fund the costs of all AIA's services.

BRU Goals and Strategies

AIA is responsible for providing high quality airport facilities and services that meet the needs of the traveling public for domestic and international airlines on a 24 hour, 365 days per year basis in compliance with all applicable local, state, and federal regulations.

Key BRU Issues for FY2001 – 2002

- Continuing work on twenty year Airport Master Plan.
- Promulgation of revised Title 17 airport regulations.
- Gateway Alaska and Airport Terminal Redevelopment Program.
- Alaska Railroad Airport terminal development.
- Planning for growth in cargo operations, passengers and airport infrastructure requirements and listening to community concerns.
- FAA approval of Part 150 Noise Mitigation Plan and implementation, authorization to implement Passenger Facility Charges (PFCs).
- Aircraft de-icing and Lake Hood discharge limits.
- Negotiate a new operating agreement with airlines.
- Applied for 10 year wetlands permit from the Corps of Engineers.

Major BRU Accomplishments for FY2000

- Comprehensive planning and coordination enabled the construction of a new temporary check-in facility to offset the loss of the upper arrival ramp. Despite this major construction impact on airport traffic and operations, passengers were able to smoothly check-in and access the terminal. Opened new upper ramp and inbound lanes on June 17, six weeks ahead of schedule.
- Overall cargo growth for FY2000 was 12.7%.
- Delta Airlines began daily non-stop service between Anchorage and Atlanta on June 1, 2000.
- Alaska Airlines commenced daily non-stop service to Chicago.
- China Airlines increased passenger operations through Anchorage for the summer season with additional ten new flights per week between Taipei, and on to New York.

- LTU direct flights commenced three flights per week from Dusseldorf for summer months.
- JAL added summer Tokyo/Germany charters plus All Nippon Airlines added charters from Tokyo.
- Met with FAA and their technology center representatives to establish a technology program at AIA for Group VI (larger than 747 aircraft) to collect and review aircraft taxi data for taxiway design criteria.
- Partnering initiative with FAA resulted in accelerated installation of new Mark 20 instrument landing system (ILS) on runway 6L. This upgrades runway 6L to a Category I capability (and improves instrument landing minimums from 400 to 200 foot ceiling).
- Completed successful Y2K compliance program to ensure all potential Y2K problems were corrected or eliminated.
- Conducted extremely successful "Top of the World Cargo Conference" which brought together key airline and cargo personnel and marketed Anchorage.
- Re-direction of project dirt haul and disposal program resulted in dirt being used to correct Federal Aviation Regulations (FAR) 139 safety discrepancies instead of being disposed in dump area. Cost savings of approximately \$100,000.
- In-house creative design and installation of a new drainage system in the safety area of the approach end of runway 24R, corrected a major FAR 139 report discrepancy and avoided a major CIP project with a cost savings of approximately \$500,000.

Key Performance Measures for FY2002

Measure: The International Airports shall maintain an average pavement condition index of fair for all runways , taxiways and aprons.

(Revised from Legislature's FY2001 version.)

Current Status:

AIA operates 24 hours per day, 365 days a year. Runway closures could occur for a number of reasons such as weather (low visibility or snow), maintenance (structural or lighting), navigation aids or other factors. Last year, the Airports maintained operational capability of at least two runways at Anchorage an estimated 99% of the time.

Benchmark:

Full airport closure is an extremely rare event. Standards are published in the Federal Aviation Administration (FAA) Advisory Circulars, Airport Certification Manual and Federal Aviation Regulations (FARs). The standard goal is to keep airports open at all times and support aircraft scheduling requirements when maintenance, construction or other conditions mandate temporary runway closures.

Background and Strategies:

The Airport's Pavement Management System represents a method of assessing and managing the condition and maintenance of runways and other airport movement areas. It is our goal to maintain the Airport's required operational capability through effective staffing, equipment, maintenance and management practices. When planned maintenance or other actions require individual runway closures, these actions should be coordinated in advance to minimize impact on operational traffic. Weather closures are to be avoided through effective application and execution of the snow management plan.

Measure: Reduce the number of International Airports airfield deficiencies in the next fiscal year to zero major discrepancies and less than 25 minor discrepancies.

(Revised from Legislature's FY2001 version.)

Current Status:

Historically, AIA receives approximately 50 annual discrepancies and FIA receives less than three, including numerous minor deviations from FAA standards.

Benchmark:

There is no established standard or quantitative measure for FAA certification inspections. Both airports attempt to provide the safest, most efficient service to airlines and traveling public.

Background and Strategies:

The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139-certification requirements. These inspections cover a broad range of areas including Airport Rescue and Fire fighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Airports goal is to improve compliance with FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. This information, in turn, must be detailed into a maintenance management program with all maintenance and training actions completed prior to annual inspections by the FAA.

These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

Measure: Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average.

(Developed jointly with Legislature in FY2001.)

Current Status:

FY 99 cargo landings remained constant over FY 98 due to the Asian economic crisis. We saw the landings bottom out and begin to increase in February 1999. FY 00 cargo landings vs. FY 99 landings showed a growth rate of 12.7%. 3 year rolling average for Anchorage showed a growth rate of 6.9%. FY 01 is on track to meet the performance measures.

Benchmark:

There are limited established or quantitative measures for evaluating cargo growth against other airports. Boeing World Air Cargo Forecast estimates overall growth in the air cargo industry to average 6.4% over the next 10 years.

Background and Strategies:

Cargo growth at Anchorage continues to track upward with the world demand for air cargo. Alaska's unique position has made AIA a key player in the international cargo industry. Anchorage has historically been a transit stop between markets generally due to lack of range of the aircraft.

As the world air cargo market continues to expand and the range of the aircraft grows, the key strategy for Anchorage remains to convert existing transit stops to value-added stops. With the advent of two more of our international carriers beginning transfer operations recently, 57% of our international carriers now provide some value-added service while on the ground, either in terms of transloading or enplaning and deplaning freight. This strategy of anchoring these airlines allows us to retain our current level of business, work to expand the services offered by our current carriers and continually attract new carriers to the ever-growing marketplace.

Measure: Whether the department completes the Gateway Alaska Terminal Redevelopment Project by September 1, 2004.

(Added by Legislature in FY2001 version.)

Current Status:

The Terminal Redevelopment Project intends to complete on schedule by fall of 2004. The design of the remaining renovation work in the existing building is scheduled to start this winter.

Benchmark:

There is no established standard or benchmark in which to compare the project against.

Background and Strategies:

The Gateway Alaska Terminal Redevelopment Project is dedicated to completing the project as planned.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time. 					X
<ul style="list-style-type: none"> Whether the department maintains the 100 percent pass level of annual federal airport certification inspections for response and safety standards set out in federal aviation regulations. 					X
<ul style="list-style-type: none"> Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average. 		X			
<ul style="list-style-type: none"> Whether the department completes the Gateway Alaska Terminal Redevelopment Project by September 1, 2004. 		X			

Ted Stevens Anchorage International Airport

BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
AIA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,313.0	6,313.0
Administration												
AIA Facilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9,674.3	9,674.3
AIA Field & Equipment Maint	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,727.5	8,727.5
AIA Operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,167.6	2,167.6
AIA Safety	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,907.3	5,907.3
Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32,789.7	32,789.7

Ted Stevens Anchorage International Airport**Proposed Changes in Levels of Service for FY2002**

AIA has seen growth in cargo and international airplane activities and in requirements placed upon it by federal regulatory agencies. The FY02 budget request reflects increases essential to meeting the safety, maintenance, operation and environmental concerns with those additional responsibilities. Total increase requested is \$681,500 in International Airport Revenue Funds. This increase adds the following:

One Leasing Officer III for Concession monitoring for the new retail area in the South Terminal and Title 17 oversight. Contractual Services increase for Dept. of Administration Chargeback, Department of Law RSA, Consultant to help implement the Concession Master Plan. A Data Professional consultant technical support related to the PWDS/MUFIDS implementation.

One custodian to help with the south terminal bathrooms and janitorial duties

One maintenance specialist electrical journey position to maintain additional systems

One maintenance general sub-journey position for additional maintenance, repair, and painting

Contractual Services for HVAC charcoal air filter IAQ system and plumbing maintenance repairs.

Logic controllers, mechanical, pumps, extractors and other small replacement equipment

Seasonal personnel for winter snow events as well as routine snow removal activities

Ted Stevens Anchorage International Airport**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	0.0	0.0
Adjustments which get you to start of year:				
-AIA Administration	0.0	0.0	46.5	46.5
Adjustments which will continue current level of service:				
-AIA Administration	0.0	0.0	-484.1	-484.1
-AIA Facilities	0.0	0.0	149.0	149.0
-AIA Field & Equipment Maint	0.0	0.0	55.5	55.5
-AIA Operations	0.0	0.0	95.9	95.9
-AIA Safety	0.0	0.0	5.8	5.8
Proposed budget increases:				
-AIA Administration	0.0	0.0	306.6	306.6
-AIA Facilities	0.0	0.0	309.0	309.0
-AIA Field & Equipment Maint	0.0	0.0	88.0	88.0
FY2002 Governor	0.0	0.0	32,789.7	32,789.7

Component: Anchorage Airport Administration

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Component Mission

The mission of Anchorage International Airport (AIA) Administration component is to provide the overall airport management and leadership necessary to assure that all Airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner.

Component Services Provided

- Supervise all AIA operations/activities and develop policies to assure compliance with all laws and regulations.
- Administer marketing and public relations programs.
- Plan capital improvement projects.
- Provide engineering oversight/coordination of AIA construction activities.
- Develop environmental policy and plans to meet laws and regulations.
- Provide accounting and financial reporting.
- Manage AIA land and facilities by managing contracts for operation of airport parking facilities.

Component Goals and Strategies

To direct and coordinate all Anchorage International Airport (AIA) functions and provide administrative support to the other AIA components to meet the overall mission of operating the largest airport in the state safely, cost effectively and in a manner consistent with federal, state, and local regulatory requirements, high service standards, and sensitivity to users needs and surrounding community goals.

Key Component Issues for FY2001 – 2002

- Continuing work on twenty year Airport Master Plan.
- Promulgation of revised Title 17 airport regulations.
- Gateway Alaska and Airport Terminal Redevelopment Program.
- Alaska Railroad Airport terminal development.
- Planning for growth in cargo operations, passengers and airport infrastructure requirements and listening to community concerns.
- FAA approval of Part 150 Noise Mitigation Plan and implementation, authorization to implement Passenger Facility Charges (PFCs).
- Aircraft de-icing and Lake Hood discharge limits.
- Negotiate a new operating agreement with airlines.
- Applied for 10 year wetlands permit from the Corps of Engineers.

Major Component Accomplishments for FY2000

- Conducted major "Partnering Session" with Terminal Redevelopment team, Kiewit and other workgroups for next phase of the new terminal construction. The strategic goals centered on safety, quality, schedule, budget, operations and teamwork.
- Comprehensive planning and coordination enabled the construction of a new temporary check-in facility to offset the loss of the upper arrival ramp. Despite this major construction impact on airport traffic and operations, passengers were able to smoothly check-in and access the terminal. Opened new upper ramp and inbound lanes on June 17, six weeks ahead of schedule.
- Overall cargo growth for FY2000 was 12.7%.
- Delta Airlines began daily non-stop service between Anchorage and Atlanta on June 1, 2000.

- Alaska Airlines commenced daily non-stop service to Chicago.
- Continental Airlines commenced daily non-stop flights to Houston (summer only).
- American Airlines commenced daily non-stop flights to Dallas (summer only).
- American West Airlines commenced daily non-stop flights to Phoenix (summer only).
- China Airlines increased passenger operations through Anchorage for the summer season with additional ten new flights per week between Taipei, and on to New York.
- LTU direct flights commenced three flights per week from Dusseldorf for summer months.
- JAL added summer Tokyo/Germany charters plus All Nippon Airlines added charters from Tokyo.
- Developed new GSE parking area using recycled runway material, which enabled cost savings of approximately \$100,000.
- Re-direction of project dirt haul and disposal program resulted in dirt being used to correct FAR 139 safety discrepancies instead of being disposed in dump area. Cost savings of approximately \$100,000
- In-house creative design and installation of a new drainage system in the safety area of the approach end of runway 24R, corrected a major FAR 139 report discrepancy and avoided a major CIP project with a cost savings of approximately \$500,000.

Statutory and Regulatory Authority

- FAR Part 108, 612
- AS 18 Health/Safety
- AS 37.15.430

Anchorage Airport Administration

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,730.7	3,118.0	3,269.7
72000 Travel	64.8	30.0	33.3
73000 Contractual	2,608.7	3,054.5	2,733.7
74000 Supplies	226.4	189.5	217.8
75000 Equipment	45.9	52.0	58.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,676.5	6,444.0	6,313.0
Funding Sources:			
1007 Inter-Agency Receipts	11.0	0.0	0.0
1027 International Airport Revenue Fund	5,665.5	6,444.0	6,266.5
1061 Capital Improvement Project Receipts	0.0	0.0	46.5
Funding Totals	5,676.5	6,444.0	6,313.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	61,143.5	58,095.2	58,095.2	64,879.2	64,879.2
Unrestricted Total		61,143.5	58,095.2	58,095.2	64,879.2	64,879.2
Restricted Revenues						
Interagency Receipts	51015	11.0	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	46.5	46.5
Restricted Total		11.0	0.0	0.0	46.5	46.5
Total Estimated Revenues		61,154.5	58,095.2	58,095.2	64,925.7	64,925.7

Anchorage Airport Administration**Proposed Changes in Levels of Service for FY2002**

Add one Leasing Officer III for Concession monitoring for the new retail area in the South Terminal and Title 17 oversight.

Contractual is increased \$209,500 for Dept. of Administration Chargeback (\$104,500), a consultant to help implement the Concession Master Plan (\$25,000), Dept of Law RSA increase of (\$50,000) and a data processing professional consultant (\$30,000) to provide technical support related to the PWDS/MUFIDS implementation. Anticipated needs are for network configuration, network management, database development and installation support.

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	6,444.0	6,444.0
Adjustments which get you to start of year:				
-Add \$46.5 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	46.5	46.5
Adjustments which will continue current level of service:				
-Transfer \$250.0 from Admin Contractual to Facilities Personal Services	0.0	0.0	-250.0	-250.0
-Transfer \$100.0 from contractual to Field & Equipment personal services.	0.0	0.0	-100.0	-100.0
-Transfer \$60.0 from contractual to Operations personal services for Ops Officer.	0.0	0.0	-60.0	-60.0
-Transfer \$50.0 from contractual to Operations personal services.	0.0	0.0	-50.0	-50.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-24.1	-24.1
Proposed budget increases:				
-Add \$22.1 in IARF authority to fund increase resulting from Engineers' classification study.	0.0	0.0	22.1	22.1
-Add 25-#018 \$75.0 for one fulltime Leasing Officer III position for concession contracts.	0.0	0.0	75.0	75.0
-Add \$159.5 in IARF authority to fund DOA Chargeback increases &	0.0	0.0	159.5	159.5

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
Concession consultant -Add \$50.0 in IARF authority to fund Dept of Law billings for increased level of service.	0.0	0.0	50.0	50.0
FY2002 Governor	0.0	0.0	6,313.0	6,313.0

Anchorage Airport Administration**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	48	49	Annual Salaries	2,459,143
Part-time	0	0	COLA	37,889
Nonpermanent	0	0	Premium Pay	15,968
			Annual Benefits	876,807
			<i>Less 3.54% Vacancy Factor</i>	(120,107)
			Lump Sum Premium Pay	0
Totals	48	49	Total Personal Services	3,269,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant I	1	0	0	0	1
Administrative Clerk II	5	0	0	0	5
Administrative Clerk III	3	0	0	0	3
Administrative Manager IV	1	0	0	0	1
Airport Manager Anch	1	0	0	0	1
AK Intl Airport Sys Plnr	1	0	0	0	1
Analyst/Programmer III	2	0	0	0	2
Analyst/Programmer IV	2	0	0	0	2
Asst Commissioner	1	0	0	0	1
Building Maint Manager	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Dev Spec II, Option A	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Engineer/Architect I	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Environmental Analyst II	1	0	0	0	1
Environmental Analyst III	2	0	0	0	2
Environmental Coordinator	1	0	0	0	1
Leasing Officer I	1	0	0	0	1
Leasing Officer II	5	0	0	0	5
Leasing Officer III	3	0	0	0	3
Leasing Officer IV	1	0	0	0	1
Micro/Network Tech II	1	0	0	0	1
Personnel Asst I	1	0	0	0	1
Planner II	1	0	0	0	1
Planner III	1	0	0	0	1
Planner IV	1	0	0	0	1
Procurement Spec I	1	0	0	0	1
Program Coordinator	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Safety Officer	1	0	0	0	1
Secretary	1	0	0	0	1
Spec Asst To The Comm I	1	0	0	0	1
Tech Eng I / Architect I	1	0	0	0	1
Totals	49	0	0	0	49

Component: Anchorage Airport Facilities

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Component Mission

The mission of the Airport Facilities component is to protect the State's investment in AIA's buildings by maintaining, in the most cost-effective manner possible, plant-in-place infrastructure and other facilities to meet or exceed their planned useful life, and to present at all times a clean and attractive Passenger Terminal and other airport facilities to the traveling public and airport tenants.

Component Services Provided

- Facility repairs and maintenance.
- Identify and implement plans to correct building deficiencies.
- All utility costs for airport facilities except electricity for the airport Crash/Fire Rescue building; Field Maintenance facilities and runway lighting systems are funded through this component.
- Daily cleaning of passenger terminals, and removal of trash.

Component Goals and Strategies

Maintain and repair over one million square feet of Anchorage International Airport (AIA) buildings and associated systems in compliance with federal, state and local regulations and code. Maintain clean and sanitary airport facilities at Anchorage International Airport (AIA) on 24 hour, 365 days per year basis.

Key Component Issues for FY2001 – 2002

Cleaning and maintaining the Passenger Terminal during scheduled remodeling and construction of the Gateway Alaska project.

Major Component Accomplishments for FY2000

- Added new indoor air quality compliant filters to South Terminal fan filter banks. This major improvement consists of a new three stage filtering system to improve air flow and air quality in the terminal.
- Completed installation of new medium voltage power system to upgrade Airport's electrical power supplies and loop reliability.
- Installed new fire alarm system in the South Terminal.
- Completed installation of new security access control system upgrade project.
- Installed new controls and meter reading system on baggage conveyors. This assists building's technicians track the baggage carousel and bag belts meter readings and help in the scheduling of preventive maintenance work orders. The system has the ability to be expanded to other equipment, which may have scheduled maintenance occur based on a meter reading and/or timeframe.
- Conducted waste minimization audits to identify new efficiencies that can be implemented. Extensive recycling efforts completed with old material from old "C" Concourse.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 44 State Government
- AS 18 Health and Safety
- NFPA/AK Fire Code

Anchorage Airport Facilities

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	6,021.0	6,329.0
72000 Travel	0.0	27.0	27.0
73000 Contractual	0.0	2,511.0	2,611.0
74000 Supplies	0.0	564.3	614.3
75000 Equipment	0.0	93.0	93.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	9,216.3	9,674.3
Funding Sources:			
1027 International Airport Revenue Fund	0.0	9,216.3	9,674.3
Funding Totals	0.0	9,216.3	9,674.3

Anchorage Airport Facilities**Proposed Changes in Levels of Service for FY2002**

One custodian to help with the South Terminal bathrooms and janitorial duties. Customer complaints during peak arrival and departure periods.

One Maintenance Specialist Electrical Journey 1 to help maintain added systems with the new terminal. Most complex system adds: 40 cooling heating pumps, 80 unit heaters, 6 mile fin tube, heat piping, 176 fans.

One Maintenance General Sub-Journey to help repair and paint terminal finishes and surfaces.

\$100,000 for contractual HVAC contracts for our air filter system.

Equipment increase of \$50,000 for logic controllers, mechanical, pumps, extractors, other small replacement equipment.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	9,216.3	9,216.3
Adjustments which will continue current level of service:				
-Transfer in \$250.0 from Admin contractual to fund LTC increases and overtime	0.0	0.0	250.0	250.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-101.0	-101.0
Proposed budget increases:				
-Add \$44.0 for PCN 25-1709 one fulltime Custodial position to help clean south terminal.	0.0	0.0	44.0	44.0
-Add \$45.0 for PCN #25-1863 one fulltime Maintenance position to maintain terminals.	0.0	0.0	45.0	45.0
-Add \$70.0 for PCN #25-1791 one fulltime Maintenance Spec Electrician to maintain airline bag belts.	0.0	0.0	70.0	70.0
-Add \$100.0 for HVAC charcoal air filter IAC system contract.	0.0	0.0	100.0	100.0
-Add \$50.0 for logic controllers and increase in small equipment needs.	0.0	0.0	50.0	50.0
FY2002 Governor	0.0	0.0	9,674.3	9,674.3

Anchorage Airport Facilities**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	110	113	Annual Salaries	4,387,202
Part-time	0	0	COLA	71,472
Nonpermanent	0	0	Premium Pay	336,752
			Annual Benefits	1,821,924
			<i>Less 4.36% Vacancy Factor</i>	(288,350)
			Lump Sum Premium Pay	0
Totals	110	113	Total Personal Services	6,329,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Building Maint Manager	1	0	0	0	1
Building Mgmt Specialist	1	0	0	0	1
Custodial Services Spvr	1	0	0	0	1
Enviro Services Foreman	4	0	0	0	4
Enviro Services Journey II	50	0	0	0	50
Enviro Services Lead	1	0	0	0	1
Maint Gen Journey	20	0	0	0	20
Maint Gen Sub - Journey I	1	0	0	0	1
Maint Gen Sub - Journey II	2	0	0	0	2
Maint Spec Bfc Foreman	1	0	0	0	1
Maint Spec Bfc Journey I	7	0	0	0	7
Maint Spec Bfc Jrny II/Lead	3	0	0	0	3
Maint Spec Etrician Foreman	1	0	0	0	1
Maint Spec Etrician Journey II	6	0	0	0	6
Maint Spec Etronics Journey I	5	0	0	0	5
Maint Spec Plumb Jrny II	3	0	0	0	3
Stock & Parts Svcs Lead	2	0	0	0	2
Totals	113	0	0	0	113

Component: Anchorage Airport Field and Equipment Maintenance

Contact: Morton V. Plumb Jr., Director

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Component Mission

The mission of Field Maintenance is to provide safe aircraft movement surfaces through efficient and cost-effective maintenance of the Air Operations Area, and to maintain vehicle roads, parking lots and other grounds in compliance with FAA Airport Certification Requirements, as well as accepted prudent maintenance requirements and practices.

Component Services Provided

- Maintain and repair 208 units of field maintenance equipment, fire fighting equipment, and other vehicles, 134 units of controlled property (small equipment).
- Repair/maintain all pavement areas, remove snow and ice from airport runways, taxiways, roadways, and grounds.
- Perform daily maintenance inspections of airport areas and retain related data required by FAR 139 regulations.

This is a new component in FY2001. AIA Field Maintenance (608) and AIA Equipment Maintenance (612) were combined into this component.

Component Goals and Strategies

- Maintain and repair all Anchorage International Airport (AIA) rolling and stationary equipment to a high degree of reliability using efficient and cost effective methods.
- Maintain and repair all airport runways, taxiways, aircraft parking areas, roads, and grounds to ensure high service standards and compliance with Federal Aviation Administration (FAA) and environmental regulations on a basis of 24 hours a day, 365 days a year.

Key Component Issues for FY2001 – 2002

Coordinating snow removal to the new snow dump in efficient and cost effective manner. Runway de-icing regulation changes that may require a more costly chemical that is more environmentally friendly to the airport.

Major Component Accomplishments for FY2000

- Selected by the AAAE for the Balchen-Post Award as the number one large airport in the U.S. for Excellence in winter snow removal and operations
- Developed new GSE parking area using recycled runway material which enabled a cost savings of approximately \$100,000.
- Re-direction of project dirt haul and disposal program resulted in dirt being used to correct FAR 139 safety discrepancies instead of being disposed in dump area. Cost savings of approximately \$100,000
- In-house creative design and installation of a new drainage system in the safety area of the approach end of runway 24R, corrected a major FAR 139 report discrepancy and avoided a major CIP project with a cost savings of approximately \$500,000.
- Conducted major clean-up Airfield Maintenance Facility and used a State General Services contract to sell scrap metal and concrete. This enabled the hauling away of 130 tons of scrap metal, 74 tons of concrete and cost savings of \$9,500.
- Developed and implemented plan to correct long-standing victor taxiway drainage problem. Use of field crews and saved the State over \$95,000.
- New automatic teller machine (ATM) contract initiative resulted in a ten fold increase in ATM revenue from \$2,000 per year to \$20,000.

- Identified major cost savings from RON project by allowing stockpiling of excess base material. Contractual savings to date due to shorter haul were approximately \$11,000 with an additional \$216,000 in future savings by recycling and not having to purchase this base material for other projects.
- Initiated major re-powering (engine replacement plus) of a Schorling Power Runway Broom. This in-house effort saved approximately \$50,000.
- Airport recycled and reused over 7,691 tons of materials (aluminum, steel, copper, asphalt, concrete, paper, cardboard, fencing, bollards, signs, guardrails, electrical parts, and even peat) in normal operations and the C-Concourse Demolition this month --a direct cost savings of over \$346,000. This is in addition to savings of extending the life of the local landfill, reducing compliance requirements on the airport, and general environmental good management practices.
- Initiated new "Adopt-A-Garden" project to allow airport tenants to plant flowers utilizing company colors and/or logos.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 18 Health/Safety
- AS 44 State Government
- FAR PT 139,107,108

Anchorage Airport Field and Equipment Maintenance**Component Financial Summary***All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	5,389.2	5,532.7
72000 Travel	0.0	8.5	8.5
73000 Contractual	0.0	593.0	593.0
74000 Supplies	0.0	2,575.3	2,575.3
75000 Equipment	0.0	18.0	18.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	8,584.0	8,727.5
Funding Sources:			
1027 International Airport Revenue Fund	0.0	8,584.0	8,727.5
Funding Totals	0.0	8,584.0	8,727.5

Anchorage Airport Field and Equipment Maintenance**Proposed Changes in Levels of Service for FY2002**

3 Non-Perm seasonal emergency hires to be used during major snow events (2-3 times per season) to augment snow hauling and apron area snow removal requirements. 2 seasonal part-time equipment operator positions to maintain the adequate level of service during continuous snow removal operations. In addition to increased haul route distances on the airport operations area, the Airport's snow removal lane miles have increased with the new upper ramp (900 feet) and approximately 8 lane miles of roads.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	8,584.0	8,584.0
Adjustments which will continue current level of service:				
-Transfer in \$100.0 from Admin contractual to fund LTC increases	0.0	0.0	100.0	100.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-44.5	-44.5
Proposed budget increases:				
-Add \$18.0 for three 25-#009, 25-#010 and 25-#011 Winter Seasonal non-perm Equipment Operators.	0.0	0.0	18.0	18.0
-Add \$70.0 for two 25-#012 & 25-#013 part time Equipment Operators.	0.0	0.0	70.0	70.0
FY2002 Governor	0.0	0.0	8,727.5	8,727.5

Anchorage Airport Field and Equipment Maintenance**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	83	83	Annual Salaries	3,653,514
Part-time	2	4	COLA	100,517
Nonpermanent	6	9	Premium Pay	531,038
			Annual Benefits	1,505,512
			<i>Less 4.45% Vacancy Factor</i>	(257,881)
			Lump Sum Premium Pay	0
Totals	91	96	Total Personal Services	5,532,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
[No valid job title]	9	0	0	0	9
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Administrator VCCB	1	0	0	0	1
Enviro Services Journey II	1	0	0	0	1
Equip Operator Foreman I	3	0	0	0	3
Equip Operator Journey I	8	0	0	0	8
Equip Operator Journey II	25	0	0	0	25
Equip Operator Sub Journey I	9	0	0	0	9
Equip Operator Sub Journey II	6	0	0	0	6
Maint Gen Journey	1	0	0	0	1
Maint Spec Etrician Foreman	1	0	0	0	1
Maint Spec Etrician Journey II	9	0	0	0	9
Manager, Airfield Maintenance	1	0	0	0	1
Mech Auto Foreman II	1	0	0	0	1
Mech Auto Lead/Spec	15	0	0	0	15
Stock & Parts Svcs Lead	3	0	0	0	3
Totals	96	0	0	0	96

Component: Anchorage Airport Operations

Contact: Morton V. Plumb Jr., Director

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Component Mission

The mission of the AIA Operations component is to ensure a safe, well constructed, well coordinated, environmentally sound operating environment for air carriers and other airport tenants, general aviation, the traveling public, and employees.

Component Services Provided

- Performance of duties required by FAA parts 139 and 107, such as daily inspections and surface friction measurements.
- Notice to Airmen(NOTAM) filings.
- Certification plan updates.
- General operational support to air carriers general aviation community.
- Central airport communications.
- Prompt and accurate information dissemination to air carriers.
- Develop operations plans, monitor air operations activities and recognize, report and resolve aircraft operating problems.

Component Goals and Strategies

The goal of the Operations component is to provide high quality operations expertise to comply with Federal Aviation Administration (FAA) airport certification requirements; provide safe operating environment for air carrier, general aviation, and the traveling public, and to minimize the state's liability from air operations.

Key Component Issues for FY2001 – 2002

Development of airfield movement areas to facilitate and support orderly cargo expansion. GA program support and compliance with changes to operating and lease provisions.

Major Component Accomplishments for FY2000

- Safe flight operations were safely conducted in excess of 100 operations per hour on numerous days with a high of nearly 1,700 operations in a 24-hour period and nearly 300,000 operations annually.
- Completed extremely successful FAA certification inspection. Inspectors commented that "the Airport was the best they had seen in 11 years."
- Completed planning to provide full "partnership support" for the FAA Runway Safety Incursion Conference on May 19.
- Met with FAA and their technology center representatives to establish a technology program at AIA for Group VI (larger than 747 aircraft) to collect and review aircraft taxi data for taxiway design criteria.
- Partnering initiative with FAA resulted in accelerated installation of new Mark 20 instrument landing system (ILS) on runway 6L. This upgrades runway 6L to a Category I capability (and improves instrument landing minimums from 400 to 200 foot ceiling).
- Improved Lake Hood Complex management, inspections and documentation have resulted in all of the float spots being filled or awaiting acceptance by new permittees. Additionally, increased general aviation efforts have resulted in more turnovers of float spots for customers who have been on the "wait list" for many years.
- Developed new airfield movement area communications lesson plan for training construction and wildlife management personnel. Program increased effectiveness of incursion prevention and safety awareness.

- Conducted annual spring General Aviation Meeting and highlighted plans for new lighting and shoreline stabilization project for the Lake Hood takeoff channel, safety issues and plans to establish a new parking area "D" at Lake Hood.
- Conducted major hijacking training exercises drill on October 15, 1999. This full-scale field training exercise centered on a passenger aircraft being hijacked in flight and landing at the Anchorage International Airport. A number of law enforcement agencies, led by the Federal Bureau of Investigation (FBI) as well as our Safety section participated in this event.
- Completed successful Y2K compliance program to ensure all potential Y2K problems were corrected or eliminated.
- Successfully completed annual fire training with no air or water quality violations.
- Opened new 12 acre "groundside disposal area".

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 44 State Government
- FAR PT 107,139

Anchorage Airport Operations

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,190.6	1,380.8	1,476.7
72000 Travel	-0.3	2.0	2.0
73000 Contractual	684.4	677.9	677.9
74000 Supplies	62.0	11.0	11.0
75000 Equipment	5.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,942.3	2,071.7	2,167.6
Funding Sources:			
1027 International Airport Revenue Fund	1,942.3	2,071.7	2,167.6
Funding Totals	1,942.3	2,071.7	2,167.6

Anchorage Airport Operations**Proposed Changes in Levels of Service for FY2002**

Add Operations Officer to manage parking garage contract and landside issues. No incremental increase is being requested.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,071.7	2,071.7
Adjustments which will continue current level of service:				
-Transfer in \$60.0 from Admin contractual to Operations personal services.	0.0	0.0	60.0	60.0
-Transfer in \$50.0 from Admin contractual to fund Operations overtime.	0.0	0.0	50.0	50.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-14.1	-14.1
FY2002 Governor	0.0	0.0	2,167.6	2,167.6

Anchorage Airport Operations**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	24	25	Annual Salaries	1,001,711
Part-time	0	0	COLA	14,289
Nonpermanent	0	0	Premium Pay	107,225
			Annual Benefits	414,872
			<i>Less 3.99% Vacancy Factor</i>	(61,397)
			Lump Sum Premium Pay	0
Totals	24	25	Total Personal Services	1,476,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	1	0	0	0	1
Airport Oprs Officer	9	0	0	0	9
Airport Oprs Supt, AIA	1	0	0	0	1
Leasing Officer II	1	0	0	0	1
Radio Dispatcher II	10	0	0	0	10
Radio Dispatcher III	1	0	0	0	1
Totals	25	0	0	0	25

Component: Anchorage Airport Safety

Contact: Morton V. Plumb Jr., Director

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Component Mission

Perform Airport Rescue and Firefighting (ARFF), law enforcement, emergency medical technician and airfield operations services that meet FAA airport certification and security requirements on the airport in a cost effective, efficient manner, while being responsive to airport management, user, and community needs.

Component Services Provided

- Crash/fire rescue and emergency medical services for AIA in compliance with FAA mandates as well as other federal, state, and local mandates.
- Provide or contract primary police, traffic control, and guard service on AIA property. Coordinate all FAA required security measures and mandates such as inspection of security points on AIA property, and oversight of screening point activities.

Component Goals and Strategies

Ensure compliance with all Federal Aviation Administration (FAA), other federal, state, and local mandates related to Anchorage International Airport (AIA) fire, security, and police protection for the safe operation of the airport on a basis of 24 hours per day, 365 days per year.

Key Component Issues for FY2001 – 2002

CTX (security xray machine) response & FAA 107 security screening verification for law enforcement officers.

Major Component Accomplishments for FY2000

- Installed four Explosive Trace Detectors (ETDs). AIA law enforcement participation in this installation and establishment of procedures resulted in AIA becoming the "standard model" for other airports.
- Expand range officer certification for all shifts to improve training and reduce overtime.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 18 Health and Safety
- AS 44 State Government
- FAR PT 107, 108, 139, 612

Anchorage Airport Safety

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,607.4	4,867.5	4,873.3
72000 Travel	9.6	12.0	12.0
73000 Contractual	991.7	807.0	807.0
74000 Supplies	219.8	195.0	195.0
75000 Equipment	18.7	20.0	20.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,847.2	5,901.5	5,907.3
Funding Sources:			
1007 Inter-Agency Receipts	250.0	0.0	0.0
1027 International Airport Revenue Fund	5,597.2	5,901.5	5,907.3
Funding Totals	5,847.2	5,901.5	5,907.3

Anchorage Airport Safety**Proposed Changes in Levels of Service for FY2002**

- No changes in level of service anticipated at this time.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	5,901.5	5,901.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	5.8	5.8
FY2002 Governor	0.0	0.0	5,907.3	5,907.3

Anchorage Airport Safety
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	62	62	Annual Salaries	3,324,380
Part-time	0	0	COLA	92,584
Nonpermanent	0	0	Premium Pay	538,293
			Annual Benefits	1,260,027
			<i>Less 6.56% Vacancy Factor</i>	(341,984)
			Lump Sum Premium Pay	0
Totals	62	62	Total Personal Services	4,873,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Airport Safety Off V	1	0	0	0	1
Airport Safety Off VI	1	0	0	0	1
Airport Safety Officer I	4	0	0	0	4
Airport Safety Officer II	43	0	0	0	43
Airport Safety Officer III	7	0	0	0	7
Airport Safety Officer IV	3	0	0	0	3
Totals	62	0	0	0	62

Fairbanks International Airport Budget Request Unit

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BRU Mission

The mission of the Fairbanks International Airport (FIA) is to provide to Fairbanks and Interior Alaska a safe, efficient, convenient, and economical aviation facility to meet the needs of both the traveling public and the aviation industry in a manner consistent with Federal and State Regulatory requirements.

BRU Services Provided

See components

BRU Goals and Strategies

Work toward financial self-sufficiency

- Increase operational efficiency
 - Exercise prudent management practices and necessary fiscal constraints
 - Maximize the life and use of existing facilities and equipment
- Provide a safe airport environment for both air and ground operations
- Become a model facility demonstrating environmentally sound practices
 - Plan for future needs.

Key BRU Issues for FY2001 – 2002

- The Operating Agreement that establishes and defines the financial relationship between the airport and air carriers expired June 30, 2000, and is in hold over status while negotiations for a new agreement continue. The agreement sets the methodology for calculating terminal rental rates, landing, docking fees, and other charges. New agreements will be completed during FY01.
- FIA has also begun work on an update to its master plan and noise study. Master plans define goals and objectives for the airport, forecast passenger and operations growth, assess future fleet mixes, and outline alternatives to meet that future growth.
- The design phase has begun for two important projects. First, widening and lengthening the general aviation runway 1R/19L and relocating the winter ski strip should see construction completed during FY02. The new runway is expected to eliminate thousands of crossings of the main air carrier runway 1L/19R by smaller commuter aircraft, thereby eliminating a two-mile round trip taxi, increasing safety by reducing the opportunity for runway incursions, and freeing the main air carrier runway for more use by larger air carriers. Second, expanding the float pond to connect the gravel pit excavated in support of several other projects in recent years will include shaping the shoreline and tiedown areas, building access roads, taxiways, and a new floatplane ramp.
- Passenger Facility Charge collection began October 1, 2000, and should result in revenues estimated at \$850.0 annually. PFCs will help fund various qualifying capital projects.

Major BRU Accomplishments for FY2000

See individual components.

Key Performance Measures for FY2002

Measure: Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.

(Developed jointly with Legislature in FY2001.)

Current Status:

Fairbanks International Airport expects to be on track in achieving these PCI levels. In addition to the expansion of runway 1L/19R two year ago, portions of the existing runway surfaces were regrooved. We are in the preliminary stages of conducting a pavement evaluation and management plan, which will provide an accurate measurement and analysis of pavement conditions.

Benchmark:

Pavement Condition Indexes (PCI) are outlined in FAA Advisory Circular 5380-6 entitled "Guidelines and Procedures for maintenance of Airport Pavements" and are measured on a scale of 0 to 100. The numerical rankings are as follows: 85 to 100 -Excellent; 70 to 85 - Very Good; 55 to 70 - Good; 40 to 55 - Fair; 25 to 40 - Poor; 10 to 25 - Very Poor; and < 10 - Failed.

Background and Strategies:

The requirement of Airports to develop Pavement Evaluation and Management Plans appeared a few years ago in the FAA Grant Assurances. While the above advisory provides guidance for the required plans, the FAA has not as yet established set standards to be met. The acceptable PCI for an airport can vary depending on the types of aircraft operations being conducted. Once the FIA pavement management plan is completed, the technical data will be available to support development of a repair and replacement plan to ensure the asphalt surfaces are kept within the PCI's noted above.

Measure: Whether the department maintains the 100 percent pass level of annual federal airport certification inspections for response and safety standards set out in federal aviation regulation

(Developed jointly with Legislature in FY2001.)

Current Status:

Historically, FIA receives less than three noted discrepancies during the annual airport certification inspection.

Benchmark:

There are no established standards or quantitative measures for evaluating FAA certification inspections. These inspections note deficiencies for a broad range of inspection criteria that differ each year depending on FAA focus. During the 2000 certification inspection, no actual discrepancies were noted. The Certification Inspector did recommend five areas for review including, for example, the driver's training program, updating the non-standard signage on the general aviation side of the airport, and adding beads to pavement markings. However, FIA is not obliged to add beads to that paint and will not embrace the recommendation.

Background and Strategies:

Both airports attempt to provide the safest, most efficient service to airlines and the traveling public. The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139-certification requirements. These inspections cover a broad range of areas including Airport Rescue and Fire fighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and other operating standards.

The Airports' goal is to continually improve compliance with FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. Any instances of repeat discrepancies require special attention and it is our goal to attain 100% correction of deficient areas that do not require a CIP project.

Fairbanks International Airport
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
FIA	0.0	0.0	1,298.8	1,298.8	0.0	0.0	1,374.3	1,374.3	0.0	0.0	1,561.2	1,561.2
Administration												
FIA Facilities	0.0	0.0	0.0	0.0	0.0	0.0	2,216.1	2,216.1	0.0	0.0	2,287.2	2,287.2
FIA Building	0.0	0.0	1,401.9	1,401.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance												
FIA Custodial	0.0	0.0	748.5	748.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIA Field & Equipment	0.0	0.0	2,477.5	2,477.5	0.0	0.0	2,528.7	2,528.7	0.0	0.0	2,822.3	2,822.3
Maint												
FIA Operations	0.0	0.0	934.8	934.8	0.0	0.0	1,077.6	1,077.6	0.0	0.0	1,145.4	1,145.4
FIA Safety	0.0	0.0	2,331.3	2,331.3	0.0	0.0	2,385.2	2,385.2	0.0	0.0	2,386.7	2,386.7
Totals	0.0	0.0	9,192.8	9,192.8	0.0	0.0	9,581.9	9,581.9	0.0	0.0	10,202.8	10,202.8

Fairbanks International Airport

Proposed Changes in Levels of Service for FY2002

See components

Fairbanks International Airport

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	9,581.9	9,581.9
Adjustments which get you to start of year:				
-FIA Administration	0.0	0.0	29.7	29.7
Adjustments which will continue current level of service:				
-FIA Administration	0.0	0.0	64.0	64.0
-FIA Facilities	0.0	0.0	-72.3	-72.3
-FIA Field & Equipment Maint	0.0	0.0	-9.6	-9.6
-FIA Operations	0.0	0.0	-23.7	-23.7
-FIA Safety	0.0	0.0	1.5	1.5
Proposed budget increases:				
-FIA Administration	0.0	0.0	93.2	93.2
-FIA Facilities	0.0	0.0	143.4	143.4
-FIA Field & Equipment Maint	0.0	0.0	303.2	303.2
-FIA Operations	0.0	0.0	91.5	91.5
FY2002 Governor	0.0	0.0	10,202.8	10,202.8

Component: Fairbanks Airport Administration

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Component Mission

The mission of Fairbanks International Airport (FIA) Administration component is to provide the overall airport management and leadership necessary to assure that all Airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner

Component Services Provided

Specific services include: planning, organizing, directing and controlling airport functions; development and implementation of Strategic Management Plans; operating and capital budget development; collection of landing fees, rents, concession and other revenues, accounts payable, Pcard reconciliation, payroll/T&E processing, collection and dissemination of airport statistical and financial data to the state, FAA and others; revenue, expenditure, and statistical analysis; negotiation and administration of 137 leases, airline operating agreements, and other permits; management of over 500 aircraft tie-down and float pond permits; computer work station and network maintenance.

Component Goals and Strategies

Effective airport management

- Provide accurate financial and statistical information and guidance to airport staff, tenants, and other state and federal agencies.
- Manage the real property interests, rights and privileges granted at FIA consistent with the dynamic needs of general and commercial aviation tenants, other lessees and permit holders, the traveling public and the local community.
- Plan and execute a capital improvement program consistent with the Airport Master Plan and Six Year Capital Improvement Program

Achieve network connectivity essential to FIA communications and law enforcement activities with no down time

- Plan and execute a cost effective equipment replacement schedule that is responsive to changing information technology requirements within and beyond the FIA local area network.

Key Component Issues for FY2001 – 2002

Title 17 is expected to be promulgated by January, 2001. This will result in an immediate increase to the current backlog of leasing and other contract updates, as tenants whose leases are in holdover request new agreements. The airport has requested a new Leasing Officer to assist with the new work and the continuing backlog in the leasing office.

All rental car agency concession contracts expire on April 30, 2001, and work has commenced preparing a new bid offering. Rental car agency fees are the largest concession income source for FIA.

Major Component Accomplishments for FY2000

- Remediation, testing, and implementation of Y2K compliance were completed in the fall of FY00, including replacement and upgrade of the climate control system in the terminal. Designated airport staff reported to the airport in the last hours of December 31, 1999 to prepare for required Federal Aviation Administration (FAA) tests commencing at midnight. The concerted fifteen-month effort by all levels of airport personnel resulted in successful completion of a non-event, despite -51 degree F. temperatures that night. Only one date dependent computer problem was found several days later and was quickly fixed. February 29, 2000 passed uneventfully.

Statutory and Regulatory Authority

AS 2 Aeronautics
AS 44 State Govt.
FAR Part 139
FAR Part 107
FAR Part 108
29 CFR OSHA

Fairbanks Airport Administration

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	811.7	874.2	991.9
72000 Travel	23.8	18.4	15.9
73000 Contractual	442.4	452.2	504.2
74000 Supplies	20.7	29.5	49.2
75000 Equipment	0.2	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,298.8	1,374.3	1,561.2
Funding Sources:			
1027 International Airport Revenue Fund	1,298.8	1,374.3	1,531.5
1061 Capital Improvement Project Receipts	0.0	0.0	29.7
Funding Totals	1,298.8	1,374.3	1,561.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	5,578.6	6,169.9	6,169.9	7,053.8	6,401.4
Unrestricted Total		5,578.6	6,169.9	6,169.9	7,053.8	6,401.4
Restricted Revenues						
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	29.7	29.7
Restricted Total		0.0	0.0	0.0	29.7	29.7
Total Estimated Revenues		5,578.6	6,169.9	6,169.9	7,083.5	6,431.1

Fairbanks Airport Administration**Proposed Changes in Levels of Service for FY2002**

No major change in the scope or level of services provided is anticipated for the current or budget year. Addition of a new Leasing Officer will allow the leasing office to reduce backlogs and provide quicker responses to airport tenants and business partners.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,374.3	1,374.3
Adjustments which get you to start of year:				
-Add \$29.7 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	29.7	29.7
Adjustments which will continue current level of service:				
-Transfer in \$50.0 from Facilities contractual to fund non-perms RP 25-1-6331	0.0	0.0	50.0	50.0
-Transfer in \$15.0 from Operations contractual to personal services RP 25-1-6331	0.0	0.0	15.0	15.0
-Transfer in \$15.0 from Safety support lines to personal services RP 25-1-6331	0.0	0.0	15.0	15.0
-Transfer out \$15.0 from personal services to Safety support lines	0.0	0.0	-15.0	-15.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-1.0	-1.0
Proposed budget increases:				
-Add \$53.7 IARF for Leasing Officer I PCN 25-?048 and change from NP to PFT	0.0	0.0	53.7	53.7
-Add \$26.5 in IARF authority to fund Dept of Law billings for increased level of service.	0.0	0.0	26.5	26.5
-Add \$13.0 IARF to fund increased ITG chargeback costs	0.0	0.0	13.0	13.0
FY2002 Governor	0.0	0.0	1,561.2	1,561.2

Fairbanks Airport Administration

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	14	15	Annual Salaries	716,125
Part-time	0	0	COLA	13,095
Nonpermanent	0	0	Premium Pay	14,199
			Annual Benefits	262,273
			<i>Less 1.37% Vacancy Factor</i>	(13,792)
			Lump Sum Premium Pay	0
Totals	14	15	Total Personal Services	991,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Spvr I	0	1	0	0	1
Accounting Tech I	0	1	0	0	1
Accounting Tech II	0	1	0	0	1
Administrative Clerk III	0	2	0	0	2
Administrative Manager III	0	1	0	0	1
Administrative Svcs Mgr	0	1	0	0	1
Airport Manager Fairbanks	0	1	0	0	1
Analyst/Programmer I	0	1	0	0	1
Leasing Officer I	0	1	0	0	1
Leasing Officer II	0	1	0	0	1
Leasing Officer III	0	1	0	0	1
Micro/Network Spec I	0	1	0	0	1
Personnel Asst I	0	1	0	0	1
Secretary	0	1	0	0	1
Totals	0	15	0	0	15

Component: Fairbanks Airport Facilities

Contact: Doyle C. Ruff, Airport Manager

Tel: (907) 474-2507 **Fax:** (907) 474-2513 **E-mail:** doyle_ruff@dot.state.ak.us

Component Mission

The mission of the Facilities component is to protect the State's investment in FIA's buildings by maintaining, in the most cost-effective manner possible, plant-in-place infrastructure and other facilities to meet or exceed their planned useful life, and to present at all times a clean and attractive passenger terminal and other airport facilities to the traveling public and airport tenants.

Component Services Provided

Maintenance staff provide services to the airport terminal building, the Airport Rescue and Fire Fighting facility, and all of the other state owned or managed buildings at FIA. Responsibilities include: repair and maintenance of heating, ventilating, and air conditioning systems; baggage conveyor systems; escalators and elevators, automated doors and gates, interior lighting systems, finishings; exterior electrical systems including runway and taxiway lights, tiedown and vehicle parking electrical outlets and flood lights; coordination of both tenant and state sponsored construction, renovations, and repairs.

Custodial tasks include daily cleaning in the passenger terminal which is open 24 hours daily, (multiple cleanings in departure areas), administrative offices, and at the ARFF/maintenance complex. Employees shovel snow from sidewalks, other walkways, and the terminal roof; assist in shoveling runway lights when needed, and conduct landscape maintenance of the immediate terminal grounds.

Component Goals and Strategies

To maintain continuous, uninterrupted use of a public airport terminal and the surrounding areas and facilities by air carriers, tenants, concessionaires, and the traveling public

- Identify, repair, renovate, and/or replace structural, plumbing and electrical components before inconvenience or hazards arise
- Maintain facilities in a like-new condition
- Maintain at 100% efficiency the airfield lighting and signage systems in the certificated air carrier movement area and the general aviation portion of the airport
- Conduct cleaning, snow removal, and landscaping for the passenger terminal in a cost effective and unobtrusive manner during periods of high passenger activity when necessary
- Conduct maintenance activities in and affecting public use areas during less busy times when possible

Key Component Issues for FY2001 – 2002

- Work has begun installing 4,200 new energy efficient fluorescent tubes and 1,720 ballasts in the terminal.
- Rebuilding or replacing several hundred in-pavement runway lighting fixtures is developing into an annual process that is very labor intensive. It is expected to continue until new deicing methods are developed or fixtures are replaced with aluminum components at a cost of \$700 each.

Major Component Accomplishments for FY2000

- Replaced the non Y2K compliant terminal climate system controller, resulting in no disruption to terminal services on January 1, 2000.
- Rebuilt or replaced 330 in-pavement runway light fixtures due to damage from deicing fluids.
- Maintained the number of system and equipment breakdowns reported at less than 500 per year.

Statutory and Regulatory Authority

AS 2 Aeronautics
AS 44 State Govt.
FAR Part 107
FAR Part 108
29 CFR OSHA
NFPA / AK fire code

Fairbanks Airport Facilities

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	1,234.2	1,286.9
72000 Travel	0.0	2.4	2.4
73000 Contractual	0.0	717.5	703.5
74000 Supplies	0.0	262.0	294.4
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	2,216.1	2,287.2
Funding Sources:			
1027 International Airport Revenue Fund	0.0	2,216.1	2,287.2
Funding Totals	0.0	2,216.1	2,287.2

Fairbanks Airport Facilities

Proposed Changes in Levels of Service for FY2002

An additional electrician position has been requested to maintain additional airfield lighting systems and fixtures and expanded building upkeep resulting from the general aviation runway extension and widening, and completion of the new 25,000 square foot maintenance facility.

An additional custodian has been requested in response to the recent increase of 20,000 annual enplanements in the Gate One area resulting from the relocation of Frontier Airlines from the East Ramp into the terminal.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,216.1	2,216.1
Adjustments which will continue current level of service:				
-Transfer out \$50.0 from contractual to Admin personal services RP25-1-6331	0.0	0.0	-50.0	-50.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-22.3	-22.3
Proposed budget increases:				
-Add \$68.4 IARF for new facility heating and electrical costs	0.0	0.0	68.4	68.4
-Add \$75.0 IARF for 25-1685 to maintain/repair new runway electrical systems, upgrade time status	0.0	0.0	75.0	75.0
FY2002 Governor	0.0	0.0	2,287.2	2,287.2

Fairbanks Airport Facilities**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	19	20	Annual Salaries	858,492
Part-time	0	0	COLA	12,983
Nonpermanent	0	0	Premium Pay	92,335
			Annual Benefits	347,339
			<i>Less 1.85% Vacancy Factor</i>	(24,249)
			Lump Sum Premium Pay	0
Totals	19	20	Total Personal Services	1,286,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Enviro Services Journey II	0	11	0	0	11
Maint Gen Journey	0	2	0	0	2
Maint Gen Lead	0	1	0	0	1
Maint Spec Bfc Foreman	0	1	0	0	1
Maint Spec Etrician Journey II	0	4	0	0	4
Maint Spec Plumb Jrny II	0	1	0	0	1
Totals	0	20	0	0	20

Component: Fairbanks Airport Field and Equipment Maintenance

Contact: Doyle C. Ruff, Airport Manager

Tel: (907) 474-2505 **Fax:** (907) 474-2513 **E-mail:** doyle_ruff@dot.state.ak.us

Component Mission

The mission of Field and Equipment Maintenance is to provide safe aircraft movement surfaces through efficient and cost effective maintenance of the air operations area, and to maintain vehicle roads, parking lots and other grounds in compliance with FAA airport certification requirements, as well as accepted prudent maintenance requirements and practices.

Component Services Provided

This component provides the physical maintenance of all runways, taxiways, aircraft parking, vehicle parking lots, roads, and grounds within the boundaries of the 3550-acre airport. Services include: snow removal and ice control, asphalt crack sealing and pothole repair, runway and taxiway safety area maintenance, airfield lighting and signing systems repair and maintenance, ground vegetation control, dust control; float pond/ski strip maintenance, security fencing/gate replacement, and equipment maintenance and repair.

Component Goals and Strategies

Conduct maintenance activities in such a way as to maintain 100% runway availability (no runway closures) while maintaining safe landing surfaces in all conditions including adverse weather and peak usage periods.

- Continue providing a well trained, safety conscious, dedicated airport maintenance staff.
- Efficiently maintain all airport light and heavy-duty equipment to maximize useful life and meet all airport vehicle and equipment maintenance requirements.

Key Component Issues for FY2001 – 2002

- The extension of the general aviation runway from 3,200 to 6,500 feet and widening from 60 to 100 feet will not only increase the area of runway requiring snow removal, but will also change the snow and ice removal plan. With commuter air carrier traffic transitioning back from the air carrier runway to the new general aviation runway, both runways will require simultaneous snow and ice removal in deteriorating conditions.
- The expansion of Frontier Airlines activity into the terminal has significantly impacted snow removal on the adjoining aircraft ramp.

Major Component Accomplishments for FY2000

- Initiated an asphalt repair process using new materials that is expected to yield time and cost savings.
- Cleared and leveled 30 acres of land of different parts of the airport airfield, thereby providing both vastly improved aircraft safety areas and greater ease of maintenance.
- Redesigned and rebuilt the snow dump area making it more operationally efficient.
- Prepared three miles of south perimeter road high-float sealing. This has eliminated significant dust and grading problems.
- Crack sealed approximately 70% of the airfield side asphalt surfaces.

Statutory and Regulatory Authority

AS 2 Aeronautics
AS 44 State Govt.
FAR Part 107

FAR Part 108
29 CFR OSHA

Fairbanks Airport Field and Equipment Maintenance

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,735.8	1,789.4	2,054.0
72000 Travel	1.9	7.0	7.0
73000 Contractual	92.7	117.5	117.5
74000 Supplies	647.1	614.8	643.8
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,477.5	2,528.7	2,822.3
Funding Sources:			
1027 International Airport Revenue Fund	2,477.5	2,528.7	2,822.3
Funding Totals	2,477.5	2,528.7	2,822.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	0.3	0.0	0.0	0.0	0.0
Unrestricted Total		0.3	0.0	0.0	0.0	0.0
Restricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		0.3	0.0	0.0	0.0	0.0

Fairbanks Airport Field and Equipment Maintenance**Proposed Changes in Levels of Service for FY2002**

Additional staff months and two new seasonal equipment operators are required to keep pace with increased paved surface areas caused by the lengthening of 1R/19L runway, expansion of the terminal ramp and recently enlarged passenger terminal area parking lots.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,528.7	2,528.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-9.6	-9.6
Proposed budget increases:				
-Add \$66.7 IARF to fully fund 2 equipment operators/oiler positions	0.0	0.0	66.7	66.7
-Add \$88.5 IARF for 25-#027 and 25-#028 seasonal equipment operators	0.0	0.0	88.5	88.5
-Add \$119.0 IARF to increase staff months for 3 seasonal equipment operators	0.0	0.0	119.0	119.0
-Add \$29.0 IARF for runway deicing and sanding supplies	0.0	0.0	29.0	29.0
FY2002 Governor	0.0	0.0	2,822.3	2,822.3

Fairbanks Airport Field and Equipment Maintenance**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	22	24	Annual Salaries	1,299,941
Part-time	5	5	COLA	36,873
Nonpermanent	0	0	Premium Pay	240,025
			Annual Benefits	522,570
			<i>Less 2.16% Vacancy Factor</i>	(45,409)
			Lump Sum Premium Pay	0
Totals	27	29	Total Personal Services	2,054,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	1	0	0	1
Chief of Airport Maintenance	0	1	0	0	1
Equip Operator Foreman I	0	2	0	0	2
Equip Operator Journey I	0	2	0	0	2
Equip Operator Journey II	0	17	0	0	17
Maint Gen Sub - Journey I	0	1	0	0	1
Mech Auto Foreman II	0	1	0	0	1
Mech Auto Lead/Spec	0	3	0	0	3
Stock & Parts Svcs Lead	0	1	0	0	1
Totals	0	29	0	0	29

Component: Fairbanks Airport Operations

Contact: Doyle C. Ruff, Airport Manager

Tel: (907) 474-2507 **Fax:** (907) 474-2513 **E-mail:** doyle_ruff@dot.state.ak.us

Component Mission

The mission of the Operations component is to ensure a safe, well constructed, well coordinated, environmentally sound operating environment for air carriers and other airport tenants, general aviation, the traveling public, and employees.

Component Services Provided

Perform operations duties such as daily airport inspections, surface friction measurement reporting, Notice to Airmen (NOTAM) dissemination to the FAA and air carriers; developing operations plans, monitoring air operations activities, recording aircraft landings, monitoring of land lease activity and tie down parking for compliance with authorized uses; 24 hour central dispatch radio communications for all airport functions and emergencies. Other services include engineering analysis for adherence to FARs and FAA Advisory Circulars; design analysis, cost estimation, bid proposal development in support of Northern Region planning, design and construction of airport facilities; airport facility plans and drawings updates; environmental assessment, remediation, and prevention of hazardous waste problems at airport and tenant facilities. Development and implementation of employee safety training programs.

Component Goals and Strategies

Ensure compliance with Federal Aviation Regulations (FAR) Part 139 Airport Certification, Part 107 Airport Security, and Environmental Protection Agency (EPA) and Occupational Safety and Health Administration (OSHA) requirements

- Provide the coordination necessary to minimize the State's exposure to liability resulting from aircraft operations (landings and takeoffs) and ground operations for both aircraft and authorized vehicles
- Provide engineering expertise and oversight in the planning, design and construction of airport capital projects and facilities maintenance
- Encourage noise abatement procedures in compliance with FARs and the FAA approved FIA noise study
- Develop comprehensive training program in response to EPA and OSHA requirements

Key Component Issues for FY2001 – 2002

- Coverage of the communications/dispatch center on a "24/7" basis will continue to require extensive overtime and periods of inadequate staffing until two new part-time positions are added to current positions.
- Development and implementation of environmental and OSHA related programs. Identify employees that require training and provide training.

Major Component Accomplishments for FY2000

- Successfully met FAA certification requirements
- Oversaw successful completion of redesign, expansion, and paving of terminal area roads and parking areas.
- Completed an airfield pavement evaluation and development of a pavement maintenance management system.
- Replaced underground heating fuel tanks at several airport facilities.
- Relocated two 5,000 sq. ft. warehouses.
- Installed energy efficient bulbs and ballasts in over 1,700 fluorescent fixtures in the terminal building.
- Worked with FAA to obtain a new fully monitored approach lighting system for runway 1L. This will help to eliminate diversions due to equipment failure.

- Installed a built-up roof on a 25,000 square foot airport owned facility.
- Updated the Airport Layout Plan.
- Developed and implemented environmental and OSHA hazard communication and required forklift training for airport employees.
- Provided hazardous waste operations and emergency response training to 37 airport employees for better response to fuel and other hazardous materials spills.
- Responded to over 11 hazardous substance spills and ensured proper cleanup.
- Ensured proper management and disposal of 7,500 pounds of hazardous waste.
- Ensured proper management and recycling of 4,000 pounds of hazardous waste.
- Tracked airport related emissions monthly for Air Quality permit compliance.
- Monitored and inspected 9 fuel storage tanks for integrity.
- One million gallons of glycol containing snowmelt was collected in new storm water deicing fluid detention basin and disposed of through the City's sanitary sewer, per written agreement.
- Oversaw investigation and cleanup of numerous airport sites contaminated with hazardous substances.
- Completed pilot study to determine most cost-effective way to recover phase-separated fuel from groundwater at an airport contaminated site.

Statutory and Regulatory Authority

AS 2 Aeronautics
AS 44 State Govt.
AS 46 Environmental Conservation
FAR Part 139
FAR Part 77
FAR Part 107
40 CFR EPA
29 CFR OSHA
49 CFR US DOT

Fairbanks Airport Operations

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	814.5	899.6	982.4
72000 Travel	7.5	15.0	15.0
73000 Contractual	72.9	148.5	133.5
74000 Supplies	33.3	14.5	14.5
75000 Equipment	6.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	934.8	1,077.6	1,145.4
Funding Sources:			
1027 International Airport Revenue Fund	934.8	1,077.6	1,145.4
Funding Totals	934.8	1,077.6	1,145.4

Fairbanks Airport Operations

Proposed Changes in Levels of Service for FY2002

Add two part time radio dispatch positions to provide a 24 hour, 7 day a week coverage. This replaces the unreliable system of on-call positions.

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,077.6	1,077.6
Adjustments which will continue current level of service:				
-Transfer out \$15.0 from contractual to Admin personal services RP25-1-6331	0.0	0.0	-15.0	-15.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-8.7	-8.7
Proposed budget increases:				
-Add \$13.1 IARF to fund increases in Engineers' pay that resulted from a classification study	0.0	0.0	13.1	13.1
-Add \$78.4 for 25-#024 and 25-#025 PPT Radio Dispatchers to fully staff Communications Center	0.0	0.0	78.4	78.4
FY2002 Governor	0.0	0.0	1,145.4	1,145.4

Fairbanks Airport Operations**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	12	12	Annual Salaries	682,953
Part-time	2	4	COLA	12,692
Nonpermanent	0	0	Premium Pay	57,538
			Annual Benefits	255,194
			<i>Less 2.58% Vacancy Factor</i>	(25,977)
			Lump Sum Premium Pay	0
Totals	14	16	Total Personal Services	982,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Airport Oprs Supt, AIA	0	1	0	0	1
Engineering Assistant II	0	1	0	0	1
Environmental Analyst II	0	1	0	0	1
Environmental Analyst III	0	1	0	0	1
Equip Operator Journey I	0	1	0	0	1
Equip Operator Journey II	0	1	0	0	1
Equip Operator Jrny III/Lead	0	1	0	0	1
Radio Dispatcher II	0	7	0	0	7
Radio Dispatcher III	0	1	0	0	1
Tech Eng I / Architect I	0	1	0	0	1
Totals	0	16	0	0	16

Component: Fairbanks Airport Safety

Contact: Doyle C. Ruff, Airport Manager

Tel: (907) 474-2507 **Fax:** (907) 474-2513 **E-mail:** doyle_ruff@dot.state.ak.us

Component Mission

Perform Airport Rescue and Firefighting (ARFF), law enforcement, emergency medical technician and airfield operations services that meet FAA airport certification and security requirements on the airport in a cost effective, efficient manner, while being responsive to airport management, user, and community needs.

Component Services Provided

The airport Safety component provides the following services on a 24 hour/365 day per year basis:

ARFF: Plan, staff, train for, and respond to real and simulated aircraft and bomb threat incidents, accidents, and natural disasters

Law Enforcement: Meet FAR Part 107 and state law enforcement statutory and regulatory requirements.

Component Goals and Strategies

Ensure Airport Safety Officers (ASO) meet or exceed passenger security screening point response requirements and other requirements of FAR part 107 and the Airport Security Program

- Maintain training to meet or exceed minimum ASO fitness requirements for fire fighting and law enforcement.
- Manage staffing plans to minimize overtime while meeting FAA-required minimum staffing levels
- Maintain operational standards for use of all fire fighting vehicles, equipment, and personal gear
- Provide training opportunities for achieving emergency medical technician certification
- Participate in airport Triennial Emergency Exercise with other community mutual aid providers.

Key Component Issues for FY2001 – 2002

Recent instances of suspected or confirmed international terrorism have resulted in increased levels of awareness in airport security.

Major Component Accomplishments for FY2000

- Responded to 71 real or simulated emergencies or security violations within response time requirements established by the FAA.
- Assisted members of the public some 200 times in FY00, including thirty requiring medical interventions.
- Met or exceeded annual FAA airport certification inspections criteria regarding FAR Parts 139 and 107.

Statutory and Regulatory Authority

AS 2 Aeronautics
FAR Part 139
FAR Part 107
FAR Part 108
AS 18 Health/Safety
NFPA / AK fire code
29 CFR OSHA

Fairbanks Airport Safety

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,168.2	2,201.7	2,203.2
72000 Travel	4.6	12.0	12.0
73000 Contractual	33.3	58.8	58.8
74000 Supplies	122.6	112.7	112.7
75000 Equipment	2.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,331.3	2,385.2	2,386.7
Funding Sources:			
1007 Inter-Agency Receipts	0.0	15.2	15.2
1027 International Airport Revenue Fund	2,331.3	2,370.0	2,371.5
Funding Totals	2,331.3	2,385.2	2,386.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Interagency Receipts	51015	0.0	15.2	0.0	15.2	0.0
Restricted Total		0.0	15.2	0.0	15.2	0.0
Total Estimated Revenues		0.0	15.2	0.0	15.2	0.0

Fairbanks Airport Safety**Proposed Changes in Levels of Service for FY2002**

No major change in the scope or level of services provided is anticipated for the current or budget year.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,385.2	2,385.2
Adjustments which will continue current level of service:				
-Transfer out \$15.0 from support lines to Admin personal services RP25-1-6331	0.0	0.0	-15.0	-15.0
-Transfer in \$15.0 from Administration to support lines	0.0	0.0	15.0	15.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	1.5	1.5
FY2002 Governor	0.0	0.0	2,386.7	2,386.7

Fairbanks Airport Safety
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	26	26	Annual Salaries	1,446,525
Part-time	0	0	COLA	40,173
Nonpermanent	0	0	Premium Pay	227,511
			Annual Benefits	539,709
			<i>Less 2.25% Vacancy Factor</i>	(50,718)
			Lump Sum Premium Pay	0
Totals	26	26	Total Personal Services	2,203,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	1	0	0	1
Airport Safety Off V	0	1	0	0	1
Airport Safety Officer II	0	20	0	0	20
Airport Safety Officer III	0	3	0	0	3
Airport Safety Officer IV	0	1	0	0	1
Totals	0	26	0	0	26

Marine Highway System Budget Request Unit

Contact: George Capacci, General Manager

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BRU Mission

To provide safe, reliable, and efficient transportation of people, goods, and vehicles among Alaska communities, Canada, and the "lower 48" providing opportunities to develop and maintain a reasonable standard of living and high quality of life for Alaskans by meeting social, education, and health needs.

BRU Services Provided

AMHS operates nine roll-on roll-off vehicle-passenger ships during the summer season and as few as four ships during the fall, winter and spring season. Weeks of operation are tailored to meet the needs of the travelling public and communities while maximizing revenue and minimizing costs.

AMHS constantly maintains, repairs, refurbishes, and upgrades its nine vessels and twenty terminal facilities. Hard use in a marine environment and the stringent regulation (state and federal) of passenger-carrying marine vessels determine the need for these activities. This BRU coordinates these activities and provides some of the funding for them.

Operations services are provided:

- Along 3500 track miles to transport people, goods and vehicles to/from 32 separate ports.
- Using 20 terminals to shelter and book passage for 350,00 passengers and stage 110,000 vehicles per year to board AMHS vessels.
- Through 800 shipboard employees needed to adequately crew AMHS ships based upon U.S. Coast Guard (USCG) requirements and 80 shoreside employees.
- Under the standardized safety program of ISM certification to maintain proficiency in the AMHS fleet and meet International Maritime Organization (IMO) requirements.
- As reflected in quality service to every customer that is to become the industry standard for maritime travel.
- In conjunction with USCG required annual overhaul, maintenance and inspection requirements.
- Under the STCW program that requires all shipboard employees to be certified by February 2002. Such a program has been established and implemented through the development of course curriculums and qualification tracking .

The maintenance, repair, refurbishment, and upgrading services provided are to:

- Conduct the surveys, assessments, detailed preliminary engineering, cost estimating, long-range planning, and design for federally funded vessel modernization projects included in the department's needs list and ultimately the State Transportation Improvement Program.
- Initiate, administer, and provide on-site shipyard oversight of contracts for vessel modernization projects.
- Plan and provide preventive maintenance and repair of twenty terminal facilities.
- Purchase support services and goods for the necessary annual overhaul of each vessel.

BRU Goals and Strategies

Operate a safe, reliable, and efficient fleet of vehicle-passenger vessels year round.

- Plan and implement changes to provide more efficient and effective service in the future by laying up vessels in the off season and better matching of traffic demand with service.
- Maintain a 98% customer satisfaction by training AMHS employees in customer relations.
- Improve our reservations services by reducing caller wait time and increasing public use of AMHS's website for scheduling information, reservations, and payment.
- Increase revenue and passenger traffic through better marketing and pricing of available space.

- Provide more frequent ferry service on a regular schedule and at a reduced cost by designing and procuring a fast vehicle ferry.
- Ensure no loss of service by conducting overhauls and vessel upgrades in accordance with extensive regulatory requirements.
- Serve more than 350,000 passengers and stage more than 108,000 vehicles at our ferry terminals by performing semiannual preventive maintenance.

Key BRU Issues for FY2001 – 2002

- There is the continual need to improve customer service. It is important to maximize constituent inputs in schedule implementation and still provide maximum transportation support to Alaska communities. The purpose is to enhance the economic and social fabric of the communities AMHS serves under the constraints of budget reductions.
- AMHS strives to achieve a lower cost per mile of operation by reducing overtime and laying up ships during the off season to save on personnel costs. As general fund support continues to decrease, a greater reliance is placed on the system becoming more self-supporting. Alternatives have been analyzed that could increase revenues through marketing, tariff adjustments, extending on board services and introducing on line reservations.
- The system continues to improve training of all employees to increase professionalism, enhance morale and ensure safety in all operations and emergencies.
- Work to meet the February 1, 2002 deadline to certify over 800 vessel crew members in all areas required by the STCW.
- Continue the overhaul of our vessels and maintenance of our terminals.
- Implement a proactive marketing effort to capitalize on those markets identified in the recent Marketing and Tariff Study.
- Move Reservations and Marketing staff into a newer more customer friendly facility.

Major BRU Accomplishments for FY2000

- Our newest vehicle-passenger ship, the M/V Kennicott, successfully served ports in Southeast Alaska and implemented the cross-Gulf service, which links the Southeast and Southwest systems.
- Acquired the International Safety Management (ISM) program certification required for Alaska Marine Highway System (AMHS) vessels to visit Canadian ports. AMHS is the only U.S. flag, vehicle-passenger vessel fleet with overnight accommodations to have earned this certification. This certification has become the safety standard for the entire AMHS fleet.
- Successfully trained 85 new vessel employees to the highest international standards of Basic Safety Training and Ship Familiarization set by federal Standards for Training, Certification, and Watch keeping for Seafarers (STCW) requirements. Training was accomplished with the first USCG computer based training program developed for AMHS and can be used to conduct training in house.
- Kept all nine AMHS vessels crewed and in service by completing annual overhauls and meeting federal certification requirements.
- The new reservation management system (RMS3) met the federal and international safety requirements for accountability of passengers and improved reservations processing time through reprogramming and agent training.
- Kept the terminal facilities safely and reliably operable.

Key Performance Measures for FY2002

Measure: The percentage of times that vessels depart on time.

(Developed jointly with Legislature in FY2001.)

Current Status:

For the 12 month period ending June 30, 2000, the fleet as a whole had an 77% on-time departure rate. This rate varies between vessel and route from a low of 65% to a high of 90%.

Benchmark:

The benchmark used for this performance measure is the on-time departure data from the airline industry. Nationwide the on-time departure benchmark is 75.1%. This varies by airline and airport.

Background and Strategies:

Numerous events can cause delays in ferry departure times, especially weather and tides. An additional relevant factor is the additional time it takes to load/unload large and/or low slung vehicles (RV's trucks w/trailers, heavy equipment) during busy periods. Most of these factors are out of the control of AMHS. We do have control of making schedule modifications in the event of continual and systematic delays.

Our strategy for FY 02 is to review our performance by vessel and route for FY 00 and 01 to insure that our schedule is more realistic by accommodating for tidal delays and loading restrictions. While departing on time is important to our customers, the safety concerns will not be compromised.

Measure: The revenue per rider mile divided by the operational costs per rider mile.

(Developed jointly with Legislature in FY2001.)

Current Status:

The ratio of revenue per rider mile to cost per rider mile for FY 00 was .51. This was obtained by dividing the revenue per rider mile of \$.62 by the cost per rider mile that was \$1.22.

Benchmark:

The Washington State Ferry System reports a ratio of .60. The British Columbia Ferry Corporation reports a ratio of .81. Their cost per rider mile is about the same as the Alaska Marine Highway System's, but their revenue per mile is much higher in that they adjust their tariffs to reflect increased expenditures.

Background and Strategies:

The Alaska Marine Highway System is in line when compared to the other ferry systems, other than the lower revenue per rider mile when compared to the British Columbia system. Even though the AMHS's revenue per rider mile has increased slightly over the past few years, it has not increased significantly because tariffs have not been adjusted substantially since 1992. This performance measure is influenced by several variables, ie. seasonal demand, service routes, number of voyages per week between ports and the fluctuation in fuel prices. In FY00, fuel prices increased 50% driving the cost per rider mile up 17%. We are planning to raise fares in FY01 that will increase this ratio by generating additional revenue.

Measure: The total ridership, including passengers and vehicles, compared to the five-year ridership average.

(Developed jointly with Legislature in FY2001.)

Current Status:

The five year ridership average for passengers has been 359,068, while for vehicles 101,819. Ridership for both passengers and vehicles increased about 1% in FY 2000 to 362,566 and 103,212 respectively. We anticipate a ridership decline in FY 2001 due to the Columbia being off line for the summer because of fire damage.

Benchmark:

There is no good benchmark for this performance measure other than the 5-year average. Both the BC Ferries and Washington State Ferries carry substantially more passengers and vehicles, but both are short haul and commuter type systems.

Background and Strategies:

The Alaska Marine Highway System brought a ninth vessel on line and introduced cross Gulf service in FY1999. This measure is a comparison of ridership with a nine vs. eight vessel fleet. With the establishment of active marketing by the new AMHS marketing manager hired in FY2001, increased ridership of 3% per year is the Alaska Marine Highway System's goal.

Measure: The average onboard revenue per passenger, including cabin occupancy, food, beverage, and other sources of revenue.

(Developed jointly with Legislature in FY2001.)

Current Status:

The onboard sales per passenger declined slightly in FY 00. This was primarily due to people taking shorter trips, on average, thus spending less on food and entertainment.

Marine Highway System
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
None.												
Non-Formula Expenditures												
Marine Engineering Overhaul	0.0	0.0	1,609.9	1,609.9	0.0	0.0	1,905.2	1,905.2	0.0	0.0	2,021.6	2,021.6
Vessel Operations Management	0.0	0.0	1,696.1	1,696.1	0.0	0.0	1,698.4	1,698.4	0.0	0.0	1,698.4	1,698.4
Southeast Shore Operations	0.0	0.0	0.0	0.0	0.0	0.0	1,184.0	1,184.0	0.0	0.0	1,344.4	1,344.4
Southwest Shore Operations	0.0	0.0	0.0	0.0	0.0	0.0	3,043.4	3,043.4	0.0	0.0	3,028.9	3,028.9
Southwest Vessel Operations	0.0	0.0	0.0	0.0	0.0	0.0	959.4	959.4	0.0	0.0	1,045.2	1,045.2
Reservations and Marketing	0.0	0.0	0.0	0.0	0.0	0.0	10,665.5	10,665.5	0.0	0.0	10,669.3	10,669.3
Southeast Vessel Operations	0.0	0.0	0.0	0.0	0.0	0.0	1,899.7	1,899.7	0.0	0.0	2,090.6	2,090.6
	0.0	0.0	0.0	0.0	0.0	0.0	57,488.3	57,488.3	0.0	0.0	57,496.6	57,496.6
Totals	0.0	0.0	3,306.0	3,306.0	0.0	0.0	78,843.9	78,843.9	0.0	0.0	79,395.0	79,395.0

Marine Highway System

Proposed Changes in Levels of Service for FY2002

No changes for this BRU in FY2002.

Marine Highway System

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	78,843.9	78,843.9
Adjustments which get you to start of year:				
-Marine Engineering	0.0	0.0	115.5	115.5
Adjustments which will continue current level of service:				
-Marine Engineering	0.0	0.0	-7.4	-7.4
-Vessel Operations Management	0.0	0.0	-2.1	-2.1
-Southeast Shore Operations	0.0	0.0	-14.5	-14.5
-Southwest Shore Operations	0.0	0.0	-4.2	-4.2
-Southwest Vessel Operations	0.0	0.0	3.8	3.8
-Reservations and Marketing	0.0	0.0	-9.1	-9.1
-Southeast Vessel Operations	0.0	0.0	8.3	8.3
Proposed budget increases:				
-Marine Engineering	0.0	0.0	8.3	8.3
-Vessel Operations Management	0.0	0.0	162.5	162.5
-Southwest Shore Operations	0.0	0.0	90.0	90.0
-Reservations and Marketing	0.0	0.0	200.0	200.0
FY2002 Governor	0.0	0.0	79,395.0	79,395.0

Component: Marine Engineering

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Component Mission

Ensure that the Alaska Marine Highway System (AMHS) vessels and shore facilities are safe, reliable, comfortable, and accessible to all Alaskans and visitors to the state.

Component Services Provided

- Conduct annual condition surveys and operational assessments. Provide technical information for long-range planning and facility development.
- Prepare the designs and manage the construction contracts that maintain, repair, refurbish, and upgrade the existing vessels. Assure that the vessels continue to comply with all state and federal regulations, as well as all United States Coast Guard (USCG) and American Bureau of Shipping (ABS) requirements. The Vessel Engineering Section's workload of current design and construction projects is over \$140 million in Federal Highway Administration and state matching funds.
- Perform preventive maintenance on twenty widely dispersed, state-owned ferry terminal facilities from Homer to Ketchikan. Perform annual inspections for regulatory compliance and accomplishment of upgrades, repairs, and refurbishment of terminal facilities. Terminal facilities include transfer bridges, mooring structures, staging areas and terminal buildings.

Component Goals and Strategies

Vessel Engineering Section:

- Design and procure a new class of vessel with faster speed and reduced level of amenities, able to operate with reduced labor costs.
- Assure no loss of service due to failure to meet an existing or upcoming regulation.
- Provide continued modernization in accordance with the upcoming regulatory compliance deadlines including new requirements for Safety of Life at Sea (SOLAS), International Safety Management (ISM) and the Standards for Training, Certification and Watchkeeping for Seafarers (STCW).

Shore Maintenance Section:

- Continue to provide a high standard of preventive maintenance to state-owned terminal facilities.
- Conduct semi-annual servicing of the passenger and vehicle transfer structures and terminal buildings at each site.

Key Component Issues for FY2001 – 2002

- The STCW is the international criteria by which all 800 AMHS shipboard employees are required to be trained and certified in Basic Safety Training and Vessel Familiarization before February 1, 2002. Half of these employees also need specialized training in crowd and crisis management, proficiency in the use of survival craft and passenger safety and hull integrity. This training is to be provided primarily in-house using the training courses, manuals, and equipment developed for the AMHS. In addition, STCW training and certification for deck and engineering department licensed and unlicensed mariners will need to be obtained from US Coast Guard approved schools prior to the February 1 deadline. The addition of modernized and expanded terminal facilities and buildings in Cordova, Homer, and Petersburg in the past three years has increased the existing maintenance team workload. Although the crew is currently fully utilized, their workload will increase further with the anticipated construction of five new terminals in the Southeast Alaska Transportation Plan.
- All existing and new emergency generator underground fuel storage tanks now require operation inspections and certification to meet 18 AAC 78. Each new terminal that is built, upgraded, or expanded adds a new fire alarm system and/or sprinkler system that requires annual recertification to meet Division of Fire Prevention regulations. These new

requirements, added to historical OSHA, DEC, and ADA oversight, require significant administrative efforts and demand additional funding to meet and maintain compliance.

Major Component Accomplishments for FY2000

- Successfully completed the first biannual recertification inspection of our ISM program both on the vessels and shoreside. AMHS is the only U.S. flag, roll-on roll-off (ro-ro), passenger vessel fleet with overnight accommodations to have earned this certification. It is a requirement for continued service to Prince Rupert, British Columbia because it is located outside of the United States.
- Successfully implemented the first phase of the STCW requirement to train current and newly hired crew members to the highest international standards.
- Reduced the frequency and severity of terminal material casualties and emergency repairs. This was done through the use of improved, condition-based, planned, and programmed preventive maintenance.

Statutory and Regulatory Authority

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Marine Engineering

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,429.6	1,754.9	1,733.8
72000 Travel	52.0	33.5	45.1
73000 Contractual	77.1	67.7	96.5
74000 Supplies	51.2	49.1	146.2
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,609.9	1,905.2	2,021.6
Funding Sources:			
1007 Inter-Agency Receipts	0.5	0.0	0.0
1061 Capital Improvement Project Receipts	942.0	1,164.9	1,286.3
1076 Marine Highway System Fund	667.4	740.3	735.3
Funding Totals	1,609.9	1,905.2	2,021.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	0.5	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	942.0	1,164.9	1,164.9	1,286.3	1,286.3
Restricted Total		942.5	1,164.9	1,164.9	1,286.3	1,286.3
Total Estimated Revenues		942.5	1,164.9	1,164.9	1,286.3	1,286.3

Marine Engineering

Proposed Changes in Levels of Service for FY2002

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,905.2	1,905.2
Adjustments which get you to start of year:				
-Add \$115.5 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	115.5	115.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-7.4	-7.4
Proposed budget increases:				
-Add \$8.3 in CIP to fund increases in Engineers' pay resulting from a classification study.	0.0	0.0	8.3	8.3
FY2002 Governor	0.0	0.0	2,021.6	2,021.6

Marine Engineering**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	24	23	Annual Salaries	1,179,913
Part-time	0	2	COLA	21,895
Nonpermanent	1	0	Premium Pay	155,922
			Annual Benefits	457,776
			<i>Less 4.50% Vacancy Factor</i>	(81,706)
			Lump Sum Premium Pay	0
Totals	25	25	Total Personal Services	1,733,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	1	0	1
Administrative Clerk I	0	0	1	0	1
Administrative Clerk II	0	0	2	0	2
Administrative Clerk III	0	0	0	1	1
Administrative Manager I	0	0	1	0	1
Engineer/Architect II	0	0	1	0	1
Facilities Manager I	0	0	1	0	1
Maint Gen Journey	0	0	3	0	3
Maint Spec Bfc Jrny II/Lead	0	0	0	1	1
Marine Trans Svcs Mgr	0	0	1	0	1
Naval Architect	0	0	1	0	1
Project Coordinator	0	0	0	1	1
Vessel Const Manager I	0	0	2	0	2
Vessel Const Manager II	0	0	5	0	5
Vessel Const Manager III	0	0	2	0	2
Vessel Construction Asst III	0	0	1	0	1
Totals	0	0	22	3	25

Component: Overhaul

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Component Mission

Overhaul the nine vessels of the Alaska Marine Highway System (AMHS) annually in order to maintain the fleet at a safe, efficient level of operation.

Component Services Provided

AMHS vessels are required to be inspected and have maintenance performed according to regulatory requirements of the U.S. Coast Guard (USCG), the American Bureau of Shipping (ABS), and state vessel maintenance policies. A period of time (normally six weeks) called the overhaul period is set aside each year to accomplish these tasks at a shipyard. At the end of the overhaul period, the vessel undergoes a USCG inspection. Passing this rigorous inspection results in a Certificate of Inspection, which permits the vessel to operate for the following year.

Work accomplished during the overhaul period includes drydocking, hull inspections, fire and lifesaving inspections, repairs, cleaning, painting, and machinery reconditioning. The state CIP budget funds these major shipyard costs. The overhaul component funds the supporting services and goods associated with shipyard work.

- Fire system inspections
- Liferaft repacking
- Evacuation chute repacking
- Propulsion system technicians
- Hull cathodic protection system technicians

- Equipment rentals
- Ship stores used during the overhaul period
- Supplies and parts used during the overhaul period

Component Goals and Strategies

Continue to keep AMHS vessel downtime to a minimum.

Minimize costs during vessel layup periods.

- Overhaul AMHS vessels efficiently and in accordance with standards set in the Code of Federal Regulations, thus allowing us to continue to obtain our annual USCG Certificate of Inspection and operate the vessels.
- Review the procurement decisions made for repair parts, supplies, and technical services used during each overhaul period. Authorize only those that the senior port engineer determines are truly essential in type and quantity requested.

Key Component Issues for FY2001 – 2002

With the addition of the M/V Kennicott to the AMHS fleet in 1998, the funds available historically in this component to overhaul only eight vessels per year must now be stretched to cover nine vessels. Our challenge is to perform all overhaul work related to safety and reliability while minimizing and deferring nonessential repairs and preservation as long as possible.

Major Component Accomplishments for FY2000

- Completed overhaul periods for all nine vessels on time and within available funds in FY 00.
- Achieved certificates of inspection for all nine vessels in FY 00.

Statutory and Regulatory Authority

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Overhaul

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	438.2	710.0	710.0
73000 Contractual	585.5	370.0	370.0
74000 Supplies	672.4	618.4	618.4
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,696.1	1,698.4	1,698.4
Funding Sources:			
1076 Marine Highway System Fund	1,696.1	1,698.4	1,698.4
Funding Totals	1,696.1	1,698.4	1,698.4

Overhaul**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for FY02.

Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,698.4	1,698.4
FY2002 Governor	0.0	0.0	1,698.4	1,698.4

Component: Vessel Operations Management

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Component Mission

To provide safe, reliable and efficient transportation of people, goods and vehicles through the Alaska Marine Highway System by developing sound policy and procedures for operations of and manning with well trained professionals who are sensitive to the needs of our customers.

Component Services Provided

Vessel Operations Management operates 9 ships and 20 terminals with 800 vessel employees and 80 personnel ashore. The service provided is:

- To develop, implement and enforce policies and procedures of AMHS.
- To enforce labor contracts to provide benefits for AMHS employees without incurring increased costs and to schedule qualified employees for work assignments to meet required manning levels including vacation and sick leave reliefs.
- To provide training of vessel and terminal personnel to enhance safety and service for the travelling public and meet the Standards for Training, Certification and Watchkeeping for Seafarers (STCW) requirements.
- To provide support for vessel and terminal personnel in the performance of their duties to enhance efficient and customer oriented operations.

Component Goals and Strategies

To operate a safe, reliable and efficient fleet of vehicle-passenger vessels year round.

- Standardize fleet wide operational procedures under the Safety Management System (SMS) through annual audits of all AMHS ships.
- Plan the annual direction and operation of the System based upon the generation of more revenue.
- Meet the traffic demands of the travelling public by soliciting community input in the development of fall/winter/spring and summer schedules and adjusting services based upon traffic predictions from the Marketing and Tariff Study.
- Improve internal and external communications through the use of technology and timely use of the AMHS website for updating the published schedule on line and publishing quarterly the AMHS Newsletter to the all employees.
- Maintain the largest fleet of vehicle-passenger vessels in the U.S. to efficiently meet a published schedule and provide effective service in future operations. Through federally funded Capital Improvement Projects (CIP), the service life of mainline and oceangoing vessels will be extended. The replacement of the most inefficient vessels with more economical ships will occur as per the Southeast Alaska Transportation Plan, the Southwest Alaska Transportation Plan and the Prince William Sound Transportation Plan.
- Train all vessel employees in Basic Safety Training and thirteen other courses and certify that they meet all the safety requirements of STCW.

Key Component Issues for FY2001 – 2002

- Integrate the Southeast Alaska Transportation Plan into the development of future operations, vessel maintenance and terminal construction schedules.
- Coordinate with planners the development of the Southwest Alaska Transportation Plan and the Prince William Sound Transportation Plan.
- Establish the operational parameters, manning and crew training for the new fast vehicle ferries proposed in the Southeast Alaska Transportation Plan
- Hire more new vessel employees for each summer season so that crew members will not be held over another week and overtime will be reduced by 10%.

- Expand the STCW program so that Alaska based training facilities will be utilized for companion training and the AMHS in house computer based training course will prepare all vessel employees for BST certification.
- Utilize the standard computer network aboard each AMHS vessel to facilitate electronics ordering of supplies, the exchange of revenue plus maintenance data and the submission of routine reports.
- Improve customer service with timely updates of the AMHS website for travel promotions, schedule changes and service marketing along with reducing costs by developing online reservations.
- Provide additional service to and from Bellingham during peak season to maximize revenue generation.
- Improve customer satisfaction by improving food service aboard AMHS vessels and training shipboard employees in customer relations.
- Improve customer satisfaction by improving food service aboard AMHS vessels and training shipboard employees in customer relations.

Major Component Accomplishments for FY2000

- Provided 310 total operating weeks of service in SE and SW Alaska including cross gulf service connecting the two systems.
- The "dayboat" concept provided a very popular daily service in North Lynn Canal during the summer season adding greater vehicle and passenger capacity at the Northern Gateway.
- The M/V Kennicott maintained full service across the Gulf and in Southeast and operated without mechanical delays. Operated all other vessels with minimal loss of service due to breakdowns.
- Conducted a marketing and tariff study to evaluate AMHS customer satisfaction and determine market demands.
- Service in Southeast and Southwest Alaska was rescheduled successfully to meet travelers needs for regional sports tournaments and school activities during inclement March weather.
- Established a computer network aboard all AMHS vessels and successfully connected with each vessel via email and a wireless bridge setup at each terminal.
- Hired a website coordinator who brings schedule updates and promotions to the traveling public.
- Increased ridership aboard the AMHS 3 percent.
- Negotiated new labor agreements with all three vessel employee labor unions.

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Vessel Operations Management

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	918.3	1,109.0	1,219.4
72000 Travel	66.9	26.9	36.9
73000 Contractual	36.0	25.0	45.0
74000 Supplies	25.1	23.1	43.1
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,046.3	1,184.0	1,344.4
Funding Sources:			
1076 Marine Highway System Fund	1,046.3	1,184.0	1,344.4
Funding Totals	1,046.3	1,184.0	1,344.4

Vessel Operations Management

Proposed Changes in Levels of Service for FY2002

· The Department is requesting an inspector position. It is anticipated that with the addition of this ISM auditor position, we will fully integrate the International Safety Management (ISM) into the AMHS. This position will inspect AMHS vessels annually, follow up on nonconformance reports and implement SMS documentation in headquarters and aboard ships that is in compliance with ISM standards.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,184.0	1,184.0
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-2.1	-2.1
Proposed budget increases:				
-Add \$50.0 Marine Funds to support the International Safety Management (ISM) program	0.0	0.0	50.0	50.0
-Add Admin Mgr I position and \$112.5 Marine Funds for support of AMHS vessels and crews	0.0	0.0	112.5	112.5
FY2002 Governor	0.0	0.0	1,344.4	1,344.4

Vessel Operations Management

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	15	17	Annual Salaries	888,606
Part-time	0	0	COLA	16,767
Nonpermanent	0	0	Premium Pay	15,544
			Annual Benefits	314,247
			Less 1.28% Vacancy Factor	(15,764)
			Lump Sum Premium Pay	0
Totals	15	17	Total Personal Services	1,219,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Administrative Manager I	0	0	1	0	1
Asst Port Captain	0	0	1	0	1
Dev Spec II, Option A	0	0	1	0	1
Division Director	0	0	1	0	1
Ferry Services Manager IV	0	0	1	0	1
Marine Trans Srvs Mgr	0	0	1	0	1
Passenger Services Insp	0	0	1	0	1
Passenger Services Inspector	0	0	1	0	1
Personnel Asst II	0	0	1	0	1
Personnel Officer II	0	0	1	0	1
Port Captain	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Reservations Specialist	0	0	1	0	1
Safety Officer	0	0	1	0	1
Ship Services Mgr/Port Steward	0	0	1	0	1
Totals	0	0	17	0	17

Component: Southeast Shore Operations

Contact: George Capacci, General Manger

Tel: (907) 465-3959 **Fax:** (907) 465-2474 **E-mail:** George_Capacci@dot.state.ak.us

Component Mission

To provide support for AMHS passengers, vessels and operations in Southeast Alaska by providing safe, clean terminal facilities, performing reservations and ticketing duties to achieve the overall mission of the Alaska Marine Highway System.

Component Services Provided

Southeast Shore Operations provides the shore support required for 7 vessels and 17 ports of call over a route system of 1,800 nautical miles. The service includes:

- Enhancing public relations via telephone and in person; quoting schedules and tariffs; making, changing and deleting reservations; issuing tickets; and collecting revenues.
- Longshoring duties; staging vehicles; janitorial and minor maintenance responsibilities.
- Providing an important link to communities by monitoring the local needs and informing AMHS management of pertinent changes and suggestions received.

Component Goals and Strategies

Serve greater than 300,000 passengers and stage more than 90,000 vehicles annually in Southeast Alaska and achieve at least a 98% satisfactory rating. Customer satisfaction levels will be measured using passenger comment forms, which are provided on each vessel and in each terminal.

- Improve scheduling of seasonal employees and reduce reservations processing time.
- Provide greater information distribution for the traveler with information kiosks providing regional and community information.
- Introduce daily service between Ketchikan and Prince of Wales Island with the Interisland Ferry Authority (IFA) coming on line.

Key Component Issues for FY2001 – 2002

- Maintain and operate the terminal buildings, grounds and reservation services in a professional, responsible and caring manner under increasing budget constraints.
- Reduction of employee overtime in terminal operations while expansion of terminal hours will be necessary with the frequency of ferry stops under the SATP.
- Completion of a third ships berth at Ketchikan for AMHS and IFA vessels.
- Review passenger, vehicle and cabin tariffs to and adjust as the market will bear to cover increasing expenditures due to inflation, fuel costs and level of service.

Major Component Accomplishments for FY2000

The Reservation Management System (RMS3) processing speeds were improved through program and data line improvements, passenger processing at the terminals has improved.

- Leased unused terminal space to a commercial shipper to park vans during busy freight season.
- A wireless bridge communications system was installed at all terminals to enhance ship to shore communications using email.

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Southeast Shore Operations

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,734.3	1,804.7	1,790.2
72000 Travel	6.5	15.3	15.3
73000 Contractual	1,198.1	1,187.0	1,187.0
74000 Supplies	39.6	36.4	36.4
75000 Equipment	7.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,986.0	3,043.4	3,028.9
Funding Sources:			
1076 Marine Highway System Fund	2,986.0	3,043.4	3,028.9
Funding Totals	2,986.0	3,043.4	3,028.9

Southeast Shore Operations**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for FY02.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	3,043.4	3,043.4
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-14.5	-14.5
FY2002 Governor	0.0	0.0	3,028.9	3,028.9

Southeast Shore Operations

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	20	20	Annual Salaries	1,135,647
Part-time	15	15	COLA	14,573
Nonpermanent	0	0	Premium Pay	184,321
			Annual Benefits	502,661
			<i>Less 2.56% Vacancy Factor</i>	(47,002)
			Lump Sum Premium Pay	0
Totals	35	35	Total Personal Services	1,790,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	0	1	1
Ferry Services Mngr I	0	0	1	3	4
Ferry Services Mngr II	0	0	0	5	5
Ferry Services Mngr III	0	0	1	3	4
Ferry Terminal Assistant	0	0	4	17	21
Totals	0	0	6	29	35

Component: Southwest Shore Operations

Contact: George Capacci, General Manager

Tel: (907) 465-3959 **Fax:** (907) 465-2474 **E-mail:** George_Capacci@dot.state.ak.us

Component Mission

To provide support for AMHS passengers, vessels and operations for the communities of Southwest Alaska by providing safe, clean terminal facilities and performing reservations and ticketing duties to achieve the overall mission of the Alaska Marine Highway System.

Component Services Provided

Southwest Shore Operations provides the shore support required for 3 vessels and 15 ports of call over a route system of 1,700 nautical miles. The service includes:

- Enhancing public relations via telephone and in person; quoting schedules and tariffs; making, changing and deleting reservations; issuing tickets; and collecting revenues.
- Longshoring duties at AMHS facilities; staging vehicles; janitorial and minor maintenance responsibilities.
- Providing an important link with the communities we serve by monitoring the local needs and informing AMHS management of pertinent changes and inputs received.

Component Goals and Strategies

- Serve greater than 50,000 passengers and stage more than 18,000 vehicles annually in Southwest Alaska and achieve a 98% satisfactory rating. Customer satisfaction levels will be measured using passenger comment forms, which are provided on each vessel and in each terminal.
- Improve scheduling of seasonal employees and reduced reservations processing time.
- Reduce cost of contract services, i.e. longshoring, mooring and dockage fees, facilities leasing, by expanding AMHS facilities.

Key Component Issues for FY2001 – 2002

- Maintain and operate the terminal buildings, grounds and reservation services in a professional, responsible and caring manner under increasing budget constraints.
- Reduction of employee overtime in terminal operations while expansion of terminal hours will be necessary with the frequency of ferry stops under the Southwest Transportation Plan and Prince William Sound Transportation Plan.
- Enter new agreements with contract agents for the operation of AMHS terminals and dock services organizations for longshoring and berthing.

Major Component Accomplishments for FY2000

- New terminal facility opened in Homer to provide better shelter and ticketing for AMHS passengers and improved staging of vehicles.
- The Reservation Management System (RMS3) processing speeds were improved through program and data line improvements, passenger processing at the terminals has improved.
- A wireless bridge communications system was installed at all terminals to enhance ship to shore communications using email.

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Southwest Shore Operations
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	191.7	235.0	260.8
72000 Travel	6.0	4.0	4.0
73000 Contractual	733.0	712.9	772.9
74000 Supplies	10.4	7.5	7.5
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	941.1	959.4	1,045.2
Funding Sources:			
1076 Marine Highway System Fund	941.1	959.4	1,045.2
Funding Totals	941.1	959.4	1,045.2

Southwest Shore Operations

Proposed Changes in Levels of Service for FY2002

- Cross Gulf operations for Kennicott will increase due to a growing market and the need to provide backup service in Southwest Alaska when the Tustumena is in overhaul or a CIP. Because of Kennicott's larger size, longshoring costs are four times what it costs for the Tustumena. The Department is requesting \$60,000 to cover these increased expenses.
- With the opening of the Whittier Tunnel in May 2000, AMHS has needed two employees to meet and tie up incoming Marine Highway vessels. As only one position is currently budgeted, an additional part time seasonal position is being requested to staff the terminal from May to September.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	959.4	959.4
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-4.2	-4.2
Proposed budget increases:				
-Add \$60.0 Marine Funds for longshoring costs with additional trips by the Kennicott to SW Alaska	0.0	0.0	60.0	60.0
-Add \$30.0 Marine Funds and seasonal position at Whittier terminal	0.0	0.0	30.0	30.0
FY2002 Governor	0.0	0.0	1,045.2	1,045.2

Southwest Shore Operations

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	2	2	Annual Salaries	161,899
Part-time	2	3	COLA	1,895
Nonpermanent	0	0	Premium Pay	38,205
			Annual Benefits	64,440
			<i>Less 2.12% Vacancy Factor</i>	(5,639)
			Lump Sum Premium Pay	0
Totals	4	5	Total Personal Services	260,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Ferry Services Mngr II	0	0	0	3	3
Ferry Terminal Assistant	0	0	0	2	2
Totals	0	0	0	5	5

Component: Southwest Vessel Operations

Contact: George Capacci, General Manager

Tel: (907) 465-3959 **Fax:** (907) 465-2474 **E-mail:** George_Capacci@dot.state.ak.us

Component Mission

To meet the varied transportation needs for the diverse groups demanding marine transportation service between Southwest Alaska mainland communities and the isolated towns on Kodiak Island, along the Alaskan Peninsula and in Prince William Sound.

Component Services Provided

Southwest Vessel Operations provides safe reliable and economic transportation with the maximum frequency and consistency allowable for 50,000 passengers and 18,000 vehicles annually with multi-dimensional service including:

- A vital year round, reliable transportation link between Alaska's road system and isolated towns in Prince William Sound and Kodiak Island.
- Critical seven month (summer) service to communities throughout the Alaskan Peninsula and the Aleutian Islands west to Unalaska.
- A visitor transportation system carrying tourists throughout Southwest Alaska.
- The time critical delivery of essential goods and products to and from Southwest Alaska communities (e.g. fresh produce and fresh fish).
- Transportation of essential construction equipment and materials to the isolated communities in Southwest Alaska supporting economic development.

Component Goals and Strategies

To operate a safe, reliable and efficient fleet of vehicle-passenger vessels year round.

- Provide quality services to every customer of the AMHS and improve our customer satisfaction ratings by training our crews in customer relations and food services.
- Utilize AMHS ships most effectively and meet the transportation demands in Southwest Alaska by increasing service from the road system to isolated communities as the weather and budgetary constraints allow.
- Lower the operations overhead costs by laying ships up unmanned during the fall/winter/spring when traffic demand is low.
- Increasing cross Gulf service to match the demands of a growing market.
- Train and certify all vessel employees to STCW standards by February 1, 2002.
- Bring all AMHS vessels into full compliance with the International Safety Management (ISM) Code.

Key Component Issues for FY2001 – 2002

- Marine transportation and economic support services to Southwest Alaska communities are extremely limited within existing budgetary constraints.
- Expansion of the cross Gulf service will provide greater capacity in Prince William Sound and to Central Alaska communities where development projects a higher demand for service.
- Schedule all vessel employees for basic safety training certification and specialized training as the watch bill requires.
- Provide service to isolated communities in Prince William Sound and Kodiak Island when M/V Tustumena goes through extensive CIP overhaul project.
- Safety Management System (SMS) requires full documentation of all operational and maintenance procedures, standing orders and personnel training records.

Major Component Accomplishments for FY2000

Southwest Vessel Operations provides safe reliable and economic transportation with the maximum frequency and consistency allowable for 50,000 passengers and 18,000 vehicles annually with multi-dimensional service including:

- A vital year round, reliable transportation link between isolated towns in Prince William Sound and Kodiak Island.
- Critical seven month (summer) service to communities throughout the Alaskan Peninsula and the Aleutian Islands west to Unalaska.
- A visitor transportation system carrying tourists throughout Southwest Alaska.
- The time critical delivery of essential goods and products to and from Southwest Alaska communities (e.g. fresh produce and fresh fish).
- Transportation of essential construction equipment and materials to the isolated communities in Southwest Alaska supporting economic development.
- Ship to shore communications link established via email and local area network aboard all AMHS vessels.

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Southwest Vessel Operations

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	6,980.0	7,382.7	7,386.5
72000 Travel	50.1	64.3	64.3
73000 Contractual	1,073.7	1,006.6	1,006.6
74000 Supplies	1,637.0	2,211.9	2,211.9
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,740.8	10,665.5	10,669.3
Funding Sources:			
1004 General Fund Receipts	100.0	0.0	0.0
1076 Marine Highway System Fund	9,640.8	10,665.5	10,669.3
Funding Totals	9,740.8	10,665.5	10,669.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Restricted General Fund	51005	100.0	0.0	0.0	0.0	0.0
Restricted Total		100.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		100.0	0.0	0.0	0.0	0.0

Southwest Vessel Operations**Proposed Changes in Levels of Service for FY2002**

No service level changes are planned for FY02.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	10,665.5	10,665.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	3.8	3.8
FY2002 Governor	0.0	0.0	10,669.3	10,669.3

Southwest Vessel Operations**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
			Annual Salaries	0
Full-time	63	63	Premium Pay	0
Part-time	35	35	Annual Benefits	0
Nonpermanent	0	0	<i>Less % Vacancy Factor</i>	()
			Lump Sum Premium Pay	0
Totals	98	98	Total Personal Services	

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component: Reservations and Marketing

Contact: George Capacci, General Manager

Tel: (907) 465-3959 **Fax:** (907) 465-2474 **E-mail:** George_Capacci@dot.state.ak.us

Component Mission

To provide the best possible service to Alaska Marine Highway System customers and potential customers by ensuring that all requests for information, reservations, and tickets are answered and processed effectively.

Component Services Provided

The Reservations and Marketing section provides information, reservation and ticketing services for Alaskans and visitors considering travel aboard the Alaska Marine Highway System (AMHS). The ability to generate interest in the AMHS and respond to inquiries has a direct impact on the number of travelers who choose to travel by ferry and on the revenues generated by the System. Through staff in Anchorage and Juneau we provide:

- Oral and written responses to over 200,000 telephone requests for information, reservations, or tickets each year, and more than 6,000 faxed requests.
- Responses to an increasing number of e-mail and internet inquiries.
- Expert assistance for customers with special needs, i.e. youth groups, tour groups, persons with disabilities, commercial companies, military, and travel agents.
- Policy, procedure, and computer training for shoreside staff, including terminals and other System personnel.
- Management of computerized schedules, space availability, and tariffs.

Component Goals and Strategies

To provide fast, efficient reservation services.

- Reduce the average length of incoming telephone calls by encouraging the public to use the AMHS website for obtaining general information currently being provided by customer service agents.
- Reduce the average "wait-time" for incoming calls by routing a greater number to off-site terminal personnel during peak booking periods.
- Provide convenient "on-line" schedule information by enhancing features of our current website and integrating it with our reservations system, RMS3.
- Reduce staff turnover and absenteeism by providing employees improved tools, training and a healthier work environment.
- Increasing revenues through utilization of information and recommendations in the Alaska Marine Highway Marketing and Pricing Study developed by the McDowell Group.

Key Component Issues for FY2001 – 2002

- Improving the efficiency of the Reservations Management System (RMS3) computerized reservation system by identifying software changes that can reduce the time required generating or modifying reservations.
- An Online Reservation System that will utilize technology to develop a system that will allow customers to make and pay for reservations via the AMHS website.
- Promote the use of the AMHS website by offering web specials.
- Recruit and train seasonal employees to assist in making reservations during the peak season.
- Increase passenger, vehicle and cabin tariffs to what the market will bear.
- Construct a new reservations building for the Juneau Reservations Office Staff.
- Hire a marketing manager who can focus on those potential customers identified by the McDowell Study.

Major Component Accomplishments for FY2000

- The Reservations Management System (RMS3) was implemented to meet federal and international safety requirements for accountability of passengers and reprogrammed to improve processing time.
- A Call Wait Announcer System has been installed to give accurate wait-time feedback automatically to all callers on AMHS reservation lines.

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Reservations and Marketing

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,076.8	1,087.3	1,078.2
72000 Travel	3.7	5.8	30.8
73000 Contractual	729.8	793.9	958.9
74000 Supplies	14.9	12.7	22.7
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,825.2	1,899.7	2,090.6
Funding Sources:			
1076 Marine Highway System Fund	1,825.2	1,899.7	2,090.6
Funding Totals	1,825.2	1,899.7	2,090.6

Reservations and Marketing

Proposed Changes in Levels of Service for FY2002

· With additional marketing funds and a marketing manager, the AMHS can reach out to those markets identified by the McDowell Study and bring in greater revenues during all seasons with selected promotions, travel packages and more effective advertisement. The Department is requesting \$200,000 to support needed marketing efforts.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,899.7	1,899.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-9.1	-9.1
Proposed budget increases:				
-Add \$200.0 Marine Fund to support marketing effort for Alaska Marine Highway System	0.0	0.0	200.0	200.0
FY2002 Governor	0.0	0.0	2,090.6	2,090.6

Reservations and Marketing**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	15	15	Annual Salaries	778,857
Part-time	11	11	COLA	10,852
Nonpermanent	0	0	Premium Pay	4,576
			Annual Benefits	325,004
			<i>Less 3.67% Vacancy Factor</i>	(41,089)
			Lump Sum Premium Pay	0
Totals	26	26	Total Personal Services	1,078,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	2	0	15	0	17
Administrative Clerk III	0	0	1	0	1
Administrative Supervisor	0	0	1	0	1
Ferry Services Mngr I	0	0	1	0	1
Ferry Services Mngr III	0	0	1	0	1
Marine Traffic Manager	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Reservations Specialist	1	0	2	0	3
Totals	3	0	23	0	26

Component: Southeast Vessel Operations

Contact: George Capacci, General Manager

Tel: (907) 465-3959 **Fax:** (907) 465-2474 **E-mail:** George_Capacci@dot.state.ak.us

Component Mission

To provide safe, reliable and efficient transportation of people, goods and vehicles among Alaska communities, Canada and the "lower 48" providing opportunities to develop and maintain a reasonable standard of living and high quality of life for Alaskans by meeting social, education and health needs.

Component Services Provided

Southeast Vessel Operations provides safe reliable and economic transportation with the maximum frequency and consistency allowable for greater than 300,000 passengers and 90,000 vehicles annually with multi-dimensional service including:

- A reliable transportation link between isolated towns in the Southeast archipelago.
- A profitable visitor transportation system carrying tourists to and through Alaska.
- A valuable time critical carrier of essential goods and products to Alaska (e.g., fresh produce) and from Alaska (e.g., fresh fish).

Component Goals and Strategies

To operate a safe, reliable and efficient fleet of vehicle-passenger vessels year round.

- Provide quality services to every customer of the AMHS and improve our customer satisfaction ratings by training our crews in customer relations and food services.
- Lower the operations overhead costs by laying ships up unmanned during the fall/winter/spring when traffic demand is low.
- New ferry schedule alternatives are being explored to provide greater capacity where capacity has been constrained during periods of high demand.
- Adjust AMHS fleet to provide more efficient service in Southeast when the IFA ferry assumes the Ketchikan to Prince of Wales Island route.
- Train and certify all vessel employees to STCW standards by February 1, 2002.

Key Component Issues for FY2001 – 2002

- Marine transportation and economic support services to Southeast Alaska communities is extremely limited within existing budgetary constraints.
- Utilize AMHS ships most effectively and meet the transportation demands in Southeast Alaska by increasing service to and from Bellingham in the summer.
- Schedule all vessel employees for Basic Safety Training certification and specialized training as the watchbill requires.
- Safety Management System (SMS) requires full documentation of all operational and maintenance procedures and personnel training.

Major Component Accomplishments for FY2000

- Completed scheduled maintenance work and duties of crew while ships were operating. Produced more productivity per labor hour through the emphasis of more streamlined operating systems, procedures and equipment. .
- Produced cost savings in the Malaspina dayboat operations.
- Increased efficiencies gained through the operation of a highly capable ocean going vessel, M/V Kennicott, in a cross Gulf service, which was well utilized by the travelling public with full vehicle loads to and from Southwest Alaska.

Statutory and Regulatory Authority

AS 19
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Southeast Vessel Operations

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	37,975.7	40,038.9	40,047.2
72000 Travel	353.3	352.7	352.7
73000 Contractual	5,710.0	5,879.6	5,879.6
74000 Supplies	10,413.7	11,217.1	11,217.1
75000 Equipment	58.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	54,510.7	57,488.3	57,496.6
Funding Sources:			
1004 General Fund Receipts	400.0	0.0	0.0
1007 Inter-Agency Receipts	424.2	0.0	0.0
1076 Marine Highway System Fund	53,686.5	57,488.3	57,496.6
1135 AK Marine Highway Duplicated Expenditures	0.0	0.0	0.0
Funding Totals	54,510.7	57,488.3	57,496.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	38,300.0	39,000.0	39,000.0	41,000.0	41,000.0
Unrestricted Total		38,300.0	39,000.0	39,000.0	41,000.0	41,000.0
Restricted Revenues						
Restricted General Fund	51005	400.0	0.0	0.0	0.0	0.0
Interagency Receipts	51015	424.2	0.0	0.0	0.0	0.0
Restricted Total		824.2	0.0	0.0	0.0	0.0
Total Estimated Revenues		39,124.2	39,000.0	39,000.0	41,000.0	41,000.0

Southeast Vessel Operations**Proposed Changes in Levels of Service for FY2002**

· No service level changes are planned for the FY02 budget.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	57,488.3	57,488.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	8.3	8.3
FY2002 Governor	0.0	0.0	57,496.6	57,496.6

Southeast Vessel Operations

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	579	579	Annual Salaries	191,184
Part-time	112	112	COLA	4,597
Nonpermanent	0	0	Premium Pay	7,710
			Annual Benefits	77,911
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	691	691	Total Personal Services	281,402

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Personnel Asst I	0	0	0	1	1
Personnel Asst II	0	0	2	0	2
Stock & Parts Svcs Journey II	0	0	0	2	2
Totals	0	0	2	3	5

BRU/Component: Marine Highway Stabilization

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Component Mission

To provide communities personal and business travel opportunities similar to that enjoyed by the remainder of the population, by economical, safe, and reliable operation of a fleet of passenger and vehicle ferries.

Component Services Provided

- Operation of nine passenger and vehicle ferries in international and deep-sea service.
- Operation of some 20 terminals throughout Southcentral, Southwest, and Southeast Alaska.
- Adherence to US Coast Guard and international regulations in the outfitting and maintenance of the fleet.
- Maintenance of an international standard of competence among ship's crews and other employees in order to maximize passenger and vehicle safety.
- Reservation, ticketing, and tariff collection systems designed to provide maximum accessibility to the public and maximum revenue to the state.
- Transportation for Alaskans to school events, cultural and community gatherings, and for business and commercial purposes.

Component Goals and Strategies

Meet the expectations of the traveling public well into the 21st century.

- Generate maximum revenue in order to minimize the cost of the System to the state.
- Reduce cost of reservation system while improving customer service.
- Schedule and operate the fleet so as to employ each asset fully, offer the greatest service possible, and provide a safe on time voyage.
- Plan for future employment of the fleet in accordance with the regional transportation plans completed or in development.
- Maintain the fleet at the highest established safety standards.

Key Component Issues for FY2001 – 2002

- Rapidly rising fuel and other costs for AMHS combined with lagging revenues are lowering the balance of the Marine Highway Fund. Measures must be taken to halt this erosion of the fund, which is projected to be in a deficit by the end of FY2002.
- Continued implementation of the Southeast Transportation Plan, including ferry design and construction, terminal development, and transitioning between the current and future System.
- Maintaining balance between level of service communities' want and system's financial ability to provide.
- Implementation of a marketing strategy which will realize the full potential of daily shuttle service and tap the potential for summer travel revenue.
- Maintenance of high employee morale which will be reflected in safe performance and passenger loyalty.
- Maintenance and capital improvement funding which will permit the continued operation of older ships under modern safety requirements.
- Institute route adjustments to provide regular service more efficiently.
- Establish a full service on line reservations system.

Major Component Accomplishments for FY2000

- Earned, in FY 2000, revenues of \$38.4 million, which surpassed the previous year until the M/V Columbia fire.
- Maintained a safe reliable transportation record with no casualties resulting from and all passengers being rerouted after the Columbia switchboard fire and continued all weather, all seasons, around the clock service.
- Continued daily service connecting the cities of Juneau, Haines, and Skagway with revenues nearly matching the cost of operation.
- Cross -Gulf service, both in summer and in January, showed market potential with a high level of public acceptance and strong revenues, despite unpredictable weather.
- Achieved Certification of Compliance under the International Convention for the Safety of Life at Sea and the International Safety Management (ISM) code for all ships in the fleet.
- Installed a new interactive reservation phone system and initiated a popular internet reservations process.

Statutory and Regulatory Authority

AS 19.65.060 created the Alaska Marine Highway System Fund.

Marine Highway Stabilization

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	27,129.5	27,909.7	29,182.0
Expenditure Totals	27,129.5	27,909.7	29,182.0
Funding Sources:			
1004 General Fund Receipts	27,129.5	27,909.7	29,182.0
Funding Totals	27,129.5	27,909.7	29,182.0

Marine Highway Stabilization**Proposed Changes in Levels of Service for FY2002**

In order to keep the same level of service in FY02 as in FY01, an additional \$819.8 of General Funds is required. Without this funding, vessel service would have to be reduced.

Additional GF is also being requested for:

Marketing the Alaska Marine Highway System - \$200.0

International Safety Management contracts and publications - \$50.0

Funding for two positions for additional shipboard and shoreside financial control - \$112.5

Longshoring increases in Southwest Alaska - \$60.0

Seasonal position for Whittier terminal - \$30.0

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	27,909.7	0.0	0.0	27,909.7
Proposed budget increases:				
-Add \$819.8 GF to allow Marine Highway Fund to maintain baseline service	819.8	0.0	0.0	819.8
-Add \$50.0 GF to support increment for International Safety Management program	50.0	0.0	0.0	50.0
-Add \$112.5 GF to support increment for administrative and passenger services funding	112.5	0.0	0.0	112.5
-Add \$60.0 GF to support increment for increased longshoring expense for Kennicott	60.0	0.0	0.0	60.0
-Add \$30.0 GF to support increment for Whittier terminal position	30.0	0.0	0.0	30.0
-Add \$200.0 GF to support increment for AMHS marketing effort	200.0	0.0	0.0	200.0
FY2002 Governor	29,182.0	0.0	0.0	29,182.0